JPRS-LAM-86-050

11 JUNE 1986

Latin America Report

FBIS FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-LAM-86-050

11 JUNE 1986

LATIN AMERICA REPORT

CONTENTS

INTER-AMERICAN AFFAIRS

Spanish Foreign Minister Comments on Contadora Process
(EFE, 7 May 86) 1

Caricom, Dominican Republic Discuss Extended Cooperation
(NATION'S VOICE, 11 Apr 86) 3

Jamaican Exporter in Barbados Discusses Caricom Trade
(DAILY NATION, 21 Apr 86) 5

Ecuadoran President Signs Agreements With Azcona
(German Reyes; ACAN, 10 May 86) 7

Caribbean Bank Head Blasts Influence of Foreign TV
(TRINIDAD GUARDIAN, 21 Apr 86) 9

Briefs

CNM Message to Qadhdhafi 10
Cuban, Ecuadoran Lawyers Establish Relations 10

BAHAMAS

Voter Registration Dispute Arises Between PLP, FNM
(Anthony Forbes; THE TRIBUNE, various dates) 11

FNM Charges 11
PLP Response 12
FNM Reiteration 13
Registration-Site Openings 14
FNM Investigation 15

Opposition Party Leader Charges Government Radio-TV Bias
(Anthony Forbes; THE TRIBUNE, 2 May 86).................. 16

Ruling Party's Organ, THE HERALD, To Resume Publication
(Athena Damianos; THE TRIBUNE, 3 May 86)................. 18

Briefs
Pindling 'Campaigning' 20

BELIZE

Libyan Terrorism of Local Concern on Several Counts
(Editorial; THE REPORTER, 13 Apr 86)..................... 21

Senior Civil Servants Form Union, Seek Wage Hike
(THE BELIZE TIMES, 20 Apr 86)............................ 23

Briefs
U.S. 'Interference 24
Taiwan Trade Representative 24
Tourism Actions 24

BRAZIL

Engesa To Sell 200 Antiaircraft Armored Vehicles to Iraq
(Raymundo Costa; ISTOE, 5 Mar 86)........................ 26

CHILE

Historic Socialist Party Issues Political Proposal
(ANALISIS, 15-21 Apr 86)................................. 30

Poll Shows Majority of Students Committed to Democracy
(Carlos Huneeus; HOY, 14-20 Apr 86)...................... 36

Shantytwon Dwellers' Congress Aimed at Unification
(Paulina Modiano; CAUCE, 14-20 Apr 86)................... 45

COLOMBIA

Bank of Bogota Losses, Problems of Financial System Viewed
(EL SIGLO, various dates)................................ 49

876 Million Pesos Lost, by Raul Rodriguez Puerto 49
Banks Selling UPAC Shares, by Raul Rodriguez 50
Analysis of Banking Sector 52

Oil Production Sets New Record in Late March
(EL SIGLO, 4 Apr 86)..................................... 54

Shoe Exports Projected To Reach $100 Million in 1986
(EL SIGLO, 7 Apr 86)..................................... 55

Briefs

Rice Exports to Iran 57

CUBA

Friendship Treaty With North Korea Published
(GRANMA, 12 Mar 86).................................... 58

Funding System for Material Incentives Undergoing Change
(Jose M. Norniella; GRANMA, 26 Mar 36).................... 62

Automation, Computer Meeting Addressed by Miret
(Roberto P. Fonseca; GRANMA, 8 Mar 86).................... 64

DOMINICA

Brazilian Envoy Discusses Cooperation, Central America
(CANA, 14 Apr 86).. 66

ECUADOR

Foreign Minister Denies Foreign 'Military School' Accusation
(Voz de los Andes, 7 May 86).............................. 67

Briefs

Armed Forces Situation 68
Low-Cost Medicine 68

GRENADA

Columnist Deplores Conditions on Petite Martinique
(Lloyd Noel; THE GRENADIAN VOICE, 29 Mar 86).............. 69

Union Council Urges Caution in Establishing Labor Code
(SUNDAY EXPRESS, 4 May 86)................................ 71

GUYANA

Government Overtures to Trades Union Congress
(GUYANA CHRONICLE, DAILY EXPRESS, 3 May, 13 Mar 86)....... 72

Call for Cooperation 72
Hoyte Olive Branch 72

Hoyte Addresses Muslims, Scores Racial Politics
(NEW NATION, 9 Mar 86)................................... 73

Opposition Forces Take Aim at Government's Budget
(DAYCLEAN, MIRROR, 8, 9 Mar 86)........................... 74

Call for Civil Disobedience 74
PPP Criticism 77

Papers Report Protest March; Riot Squad Called Out
(GUYANA CHRONICLE, CATHOLIC STANDARD, 13, 16 Mar 86)...... 81

PPP, WPA Role 81
Coalition for Democracy Role 81

Corbin Calls for Discipline at PNC Regional Rally
(SUNDAY CHRONICLE, 16 Mar 86)............................. 83

Defense Force, Marine Police To Mount Joint Patrols
(SUNDAY CHRONICLE, 16 Mar 86)............................. 84

Role of Media Debated; Bars on CATHOLIC STANDARD Eased
(GUYANA CHRONICLE, 12 Mar 86; THE DAILY GLEANER,
23 Apr 86).. 85

Discussion in Parliament 85
Newsprint for STANDARD 86

Briefs

Hoyte's 'Open Door' 87
PDM Rally Restrictions 87
Probe of Police 87
New Hoyte Aide 88
Church Council Elections 88

HONDURAS

Nicaraguan Refugees Create Problems
(LA TRIBUNA, 11 Feb 86, 15 Mar 86)........................ 89

Arriving From La Mosquitia 89
Turcios Pessimistic 89

Business Sector Ponders Nicaraguan Debt
(TIEMPO, 19 Feb 86)....................................... 91

Political Campaigning Seen as Detrimental to Government
(Editorial; LA TRIBUNA, 4 Mar 86)......................... 92

Briefs

Flores Joins Banadesa 94

NICARAGUA

MICOIN Issues Regulation for Law on Consumer Registry
(BARRICADA, 5 Apr 86).................................... 95

Unauthorized Cattle Transport, Sale To Be Punished
(BARRICADA, 4 Apr 86).................................... 98

Cotton Export Prices Up; Possible Soviet Purchases
(EL COMERCIO, 28 Mar 86)................................. 99

PERU

Trade Agreement Signed With South Korea
(EL COMERCIO, 1, 2 Apr 86)............................... 100

Agreement Signed 100
Korean Aid 101

Indian Community Established in Oxapampa Province
(Guillermo R. Caldas; EL COMERCIO, 22 Mar 86)............ 102

'El Nino' Not To Affect Country in 1986
(EL COMERCIO, 30 Mar 86)................................. 104

Briefs
Gasohol Production 105

ST CHRISTOPHER AND NEVIS

Labor Organ Comments on Caribbean Democratic Union
(THE LABOUR SPOKESMAN, 19 Mar 86)........................ 106

TRINIDAD AND TOBAGO

Robinson Seeks Update on 1984 Cuban Arms Story Probe
(Compton Delph; DAILY EXPRESS, 18 Apr 86)................ 109

Disposition of Drugs Report Sparks Questions, Criticism
(TRINIDAD GUARDIAN, DAILY EXPRESS, various dates)......... 110

Attorney General in House, by Ramdath Jagessar 110
Implications of Government Action, Editorial 111
Union Demand 112
Martineau Statement to Senate, by Ria Taitt 112

Police Probe Possible Corruption in Importing of Rice
(TRINIDAD GUARDIAN, 22 Apr 86)........................... 114

Tobago Threatened by Trinidad Rein on Purse Strings
(Compton Delph; DAILY EXPRESS, 21 Apr 86)................ 115

Union Members in Visible Disputes With Management
(DAILY EXPRESS, 21, 23 Apr 86)............................ 116

Protest at Packing Industry 116
Red Armbands at T&TEC 116

Briefs
Union Criticism of U.S. 118
NAR Membership 118
Petroleum Investment 118
Oil, Gas Reserves 119

VENEZUELA

Energy Minister Reports on OPEC Meeting
(Caracas Television Service, 1 May 86).................... 120

SPANISH FOREIGN MINISTER COMMENTS ON CONTADORA PROCESS

PA081426 Madrid EFE in Spanish 1631 GMT 7 May 86

[Text] Caracas, 7 May (EFE) -- For Spain "it would be very desirable" for the Central American countries to "make an effort" and sign the peace document prepared by the Contadora countries, to which -- for the time being -- only Nicaragua is opposed.

Spanish Foreign Minister Francisco Fernandez Ordonez said this today, although he did not mention the Nicaraguans, during a brief stop-over in Venezuela enroute to Costa Rica to attend the inauguration of that country's new president, Oscar Arias.

In statements for EFE, the minister praised the mediation role of the Contadora countries (Colombia, Panama, Mexico, and Venezuela) in the Central American conflict, as well as that of the so-called "Support Group" (Argentina, Brazil, Peru, and Uruguay).

The Spanish position regarding the Central American problem is still, according to Fernandez Ordonez, that of unwavering support of the Contadora countries' efforts and the signing of the document for the region's pacification.

"It would be very desirable in the interest of peace, democracy, and the entire region's stability, for the countries to make an effort to fromalize the document," Fernandez Ordonez said.

At the present time only Nicaragua is opposed to the signing of the document, for which Contadora has established a deadline that expires within a month.

The current refusal of the Managua government to sign the document is not based upon the document's contents. The Sandinistas allege that it is dangerous for their country to commit itself to disarmament measures when it is suffering "permanent U.S. aggression."

Nevertheless, the Spanish foreign minister pointed out that "any other alternative (to the peace document) would be worse," and he said that his government has expressed this point of wiew to all of the Central American countries.

"The signing" -- he added -- "is theoretically scheduled for 6 June and I feel that it behooves all of us to make every possible effort to convince those who are not yet convinced that this is the best solution, in our view, for everyone."

Fernandez Ordonez will have the opportunity to discuss the Central American situation with the Contadora and Support Group foreign ministers while in Costa Rica, because many foreign ministers will be accompanying their presidents to the Arias' inauguration on Thursday.

Fernandez Ordonez commented that the foreign ministers will meet at a working breakfast at the Spanish Embassy in San Jose, where the peace negotiations and their immediate perspectives will be discussed.

"In addition to the bilateral contacts and talks we maintain, we have held meetings such as this on other occasions and they are very useful," the Spanish minister said.

Fernandez Ordonez added that he brings a personal letter from Spanish President Felipe Gonzalez for Oscar Arias.

"The president regrets very much that he could not make this trip," the minister explained, alluding to the intense activity in Spain due to the general elections scheduled for next month.

The Spanish minister arrived in Caracas from Madrid at dawn, local time, and left for Costa Rica a few hours later. During the stop-over he was accompanied by delegations from the Venezuelan Foreign Ministry and the Spanish Embassy, the letter headed by Ambassador Amaro Gonzalez de Mesa.

/12640
CSO: 3348/572

CARICOM, DOMINICAN REPUBLIC DISCUSS EXTENDED COOPERATION

St Johns NATION'S VOICE in English 11 Apr 86 p 2

[Text] Representatives from Caricom and the Dominican Republic, at the conclusion of their two-day meeting in Guyana, arrived at broad understandings on a range of matters in which they hope to pursue increased efforts to deepen co-operation.

The talks were held in the first meeting of the Caricom/Dominican Republic joint technical group, which was held at the Caricom Secretriat on March 21-22 and addressed attention specifically to the areas of Trade, Agriculture, Transportation, Health Education and Training, Culture and Industrial Relations.

In their discussion, representatives from the two sides recognised that there was potential for increasing trade between the Dominican Republic and Caricom member states. They agreed that they will continue to study and consult together on the type of framework within which trade between the two sides could develop.

TRADE MATTERS

During the talks representatives from both sides recognised that trade between the two sides, at the moment, constituted a very small proportion of their total trade.

However, recognising the potential for increasing trade between the two sides, they agreed, that, to this end, they would co-operate in identifying possibilities for promoting trade missions and encouraging attendance at, and participating in, trade fairs and exhibitions, by either side.

The two parties also agreed to look for avenues for co-operation in providing trade information between themselves and in developing links between the trade informaton systems in the Dominican Republic and in Caricom.

AGRICULTURAL MATTERS

The Caricom side gave information on a number of programmes in the field of agriculture in which there could be possibilities for co-operation with the Dominican Republic. The main areas highlighted were Agricultural Research, Training and Production/Marketing Information Systems.

For their part, the representatives from the Dominican Republic indicated that they would provide to Caricom similar information on research and training programmes in the Dominican Republic.

FUNCTIONAL CO-OPERATION

The two sides exchanged details educational information in the areas of Health, Educaton, Culture and Labour. They identified specific areas for further exchanges.

In the areas of Health, attention will be directed to Human Resources Development, Critical supplies (in particular essential drugs) and Equipment, Population and Development, Nutrition, Health Information, Environmental Protection and Disease Control.

In Education, areas identified for exchange of information were Adult Literacy, Language Training, and Technical/Vocation Education.

In the field of Culture, the two sides agreed that they would maintain contact in relation to the next Carifesta (due to be held in Jamaica in 1988) and for celebrations concerning the abolition of slavery in the Caribbean.

Both sides also agreed to exchange information on studies being conducted on matters such as Labour Legislation, Personnel Administration and Social Security.

This first meeting of the joint technical group between Caricom and the Dominican Republic will be followed by a similar meeting of the joint technical group between Suriname and Caricom in the first week of April, and later between Haiti and Caricom at a date to be determined.

/13104
CSO: 3298/436

INTER-AMERICAN AFFAIRS

JAMAICAN EXPORTER IN BARBADOS DISCUSSES CARICOM TRADE

Bridgetown DAILY NATION in English 21 Apr 86 p 3

[Text]

JAMAICA AND BARBADOS may well be on the road to stronger economic ties in trade agreements, Claude Clarke, president of the Jamaica Exporters' Association, believes.

Clarke expressed such hopes last Friday at a Jamaican trade mission press conference at the Barbados Manufacturers' Association headquarters.

The trade mission, which included Clarke; Peter Blake, vice-president of the Jamaica Manufacturers Association; and Fred Wilmot, executive director of the Jamaica Export Association, was on a two-day goodwill mission in Barbados last week after a similar mission in Trinidad. Here the mission explored the prospects of eliminating all trade problems with Barbados and other CARICOM countries.

Clarke spoke of the healthy trade Jamaica had developed with Barbados over the last two years, but was conscious of the fact that trade from Barbados to Jamaica, during the last two years had not increased. It has moved from $22.4 million in 1983 to $7.4 million in 1985.

Aware of some of the historical reasons for the decline of Barbados/Jamaica trade, which was as a result of the serious foreign exchange problem Jamaica suffered recently, Clarke said measures had been put in place to regain maximum freedom of entry by CARICOM products into the Jamaica market.

These measures have provided for the complete removal of licensing, the introduction of immediate payment to the CARICOM seller by the Jamaican buyer and a regime of high tariffs on extra-regional products to protect CARICOM producers.

AT a meeting with the Barbados Ministry of Industry, Commerce and Consumer Protection, product areas of particular difficulty were identified and recommendations arrived at, which will be put to the Jamaica government and private sector when the trade mission returns home.

New diplomatic initiatives

The representatives held meetings and discussions with a number of business men at both public and private sector levels and spoke of new diplomatic initiatives their government might implement to eliminate the problems that have inhibited trade in CARICOM countries.

Clarke spoke of a licensing system which is increasingly being adopted by CARICOM countries and which is against the spirit of CARICOM.

He also expressed his belief that a higher level of stamp duty, duty and extra tariff should be introduced on extra-CARICOM products, so as to reduce the difficulties CARICOM products, of equal or superior quality, now face with these powerful international brands.

The rules of origin of such products as garmants, appliances and some assembly industries, Clarke said, also needed reviewing so as to reduce the importation of inexpensively extra-regional products which are brought in and superficially finished.

Clarke believes the LDCs are most guilty of these acts which deprive genuine indigenous CARICOM products of badly-needed domestic markets and weakens the regional production process.

He discussed, with businessmen, the possibility of establishing a private sector body to ensure the rules of origin were adhered to.

Clarke also discussed with businessmen the establishment of joint venture projects where such products as Barbados' sea island cotton could be exported and processed in other CARICOM countries.

/9317
CSO: 3298/443

ECUADORAN PRESIDENT SIGNS AGREEMENTS WITH AZCONA

PA102302 Panama City ACAN in Spanish 1830 GMT 10 May 86

[Reported by German Reyes]

[Text] Tegucigalpa, 10 May (ACAN-EFE) -- Today, Ecuadoran President Leon Febres Cordero said here that without the practice of an authentic democracy it will be impossible to find peace in Central America.

Febres Cordero arrived in Tegucigalpa yesterday for a 3-day visit at the invitation of Honduran President Jose Azcona Hoyo.

The Ecuadoran president, who departed this morning to San Pedro Sula, 240 km north of Tegucigalpa, said: "All efforts we make to achieve peace in the American land will be useful."

He added: "However, that will not be possible as long as there is not an authentic democracy, because the efforts conducted to search for peace cannot be supported either by agreements or by resolutions unless there is a strong determination to live democratically."

The visitor arrived in Tegucigalpa with his foreign minister, Edgar Teran Teran.

Leon Febres Cordero met yesterday with the Hondurian president, and at the end of the meeting the two presidents signed cooperation agreements in cultural, science, and technology subjects.

The honored guest also praised the Honduran democratic process, which started in 1980 with the installation of a National Constitutent Assembly and with the inauguration of former President Roberto Suazo Cordova in 1982.

The agreements signed will be for 5 years which can be extended, unless either of the parties decides to suspend them.

President Azcona told Febres Cordero that relations between Honduras and Ecuador could also be promoted in the subjects of cultivation of bananas and fishing, as well as in other production fields.

Honduras and Ecuador are the biggest exporters of bananas in the world.

The two countries will also implement exchange of personnel for training at technological institutes, technical and industrial foundations, and other organizations of the public and private sector.

The agreements also encompass the supply of experts, such as consultants and advisers in specific fields, and the supply of appropriate equipment for training and scientific and technological research programs.

Yesterday, Leon Febres Cordero received the keys of the city of Tegucigalpa and was declared "guest of honor" by Mayor Rodimiro Zelaya.

In the evening, the Honduran president presented a decoration to the Ecuadoran president and then held a reception at the Presidental Palace.

Today, the work agenda of the Ecuadoran president includes meetings in San Pedro Sula with directors of the agricultural research foundation, the Citris Fruits Development Corporation [Corporation de Desarrollo Citricola], and a livestock supplier.

Several Ecuadoran businessmen are interested in investing in Honduras because of the guarantees offered by Jose Azcona Hoyo's government.

One of the Ecuadoran businessmen that has been investing in several companies in Honduras since 1983 is a brother of President Febres Cordero.

In the afternoon, the Ecuadoran president will meet with a group of Ecuadoran youth studying at the Pan-American Agricultural School, 30 km northeast of Tegucigalpa.

Tonight, Leon Febres Cordero will present a decoration to President Jose Azcona Hoyo.

Tomorrow, Sunday, the presidents will sign a document and will then hold a press conference.

Leon Febres Cordero will return to Ecuador tomorrow at 1000 local time.

/12640
CSO: 3348/572

CARIBBEAN BANK HEAD BLASTS INFLUENCE OF FOREIGN TV

Port-of-Spain TRINIDAD GUARDIAN in English 21 Apr 86 p 5

[Text]

BRIDGETOWN, April 20, Cana — CARIBBEAN Development Bank (CDB) President and eminent integrationist William Demas said yesterday the insidious penetration of irrelevant foreign television is threatening the economic advancement of the West Indies.

These mostly North American shows, he said, were inhibiting indigenous development and by promoting affluent lifestyles producing unrealistic expectations in the region's peoples.

The Trinidad-born economist and former Secretary General of the 13-member Caribbean Community (Caricom) addressed the post-lunch session of the annual general meeting of the Barbados-headquartered Caribbean News Agency (Cana).

Mr Demas described much of the programmes on regional television as brainless — their, content and direction leaving a lot to be desired.

Television in the Caribbean, he said, should be used for education, development of a cultural identity and for entertainment, with a mix of high quality foreign and indigenous programmes that do not insult one's intelligence.

Spirit Of Nationalism

Mr Demas did not name any specific programmes. He said he was not advocating Chauvanism, but that Caricom TV systems needed more to reflect the spirit of Caribbean nationalism.

Mr Demas described the ten-year-old Caribbean News Agency, whose wire and radio services are used by about five dozen regional and foreign media and other subscribers, as an operation very much infused with the spirit of West Indian nationalism.

Cana, he said, was second to none in seeking to assert the West Indian identity.

Television on the other hand, was encouraging consumption, especially of foreign goods, rather than production in a region that can ill afford the resulting large scale outflows of foreign exchange.

The ball was now in the court of regional governments to arrest the trend, the CDB President said.

/9317
CSO: 3298/443

BRIEFS

CNM MESSAGE TO QADHDHAFI--The Caribbean National Movement sent the following message to Libya's leader Muammar Gadafi after the U.S. bombing raid on Monday night: The Caribbean National Movement strongly condemns and deplores U.S. state terrorism against Libya. Reagan's remorseless and outrageous assertion that he "would do it again", that is, approve the murder of innocent babes women and children, in a peaceful country, at dead of night, is clear evidence that the United States has adopted state terrorism as policy and is organising itself as Murder Incorporated. We in the Caribbean National Movement view Libya and the people of Libya as a sister African State. Therefore we regard this U.S. barbaric attack as a direct attack on all African and Caribbean peoples. We extend our condolences by deepening our solidarity with Libya in the certain knowledge that the revolutionary people of Libya will overcome. Signed Caribbean National Movement. [Text] [St Johns OUTLET in English 18 Apr 86 p 1] /13104

CUBAN, ECUADORAN LAWYERS ESTABLISH RELATIONS--A document expressing the intention of initiating cooperation relations between the National Union of Cuban Lawyers and the National Lawyers Federation of Ecuador was signed in Havana today by their respective presidents, Dr Juan Vega Vega and Cesar Serrano Miranda. Dr Manuel Araujo Hidalgo, Ecuadorian ambassador to Cuba, also signed the document of intention as honorary witness. The document indicates that to achieve such relations a cooperation agreement for exchange of ideas and information regarding the two countries' legal system will be signed soon. [Text] [Havana Radio Periodico Del Aire in Spanish 2130 GMT 29 Apr 86] /12640

CSO: 3348/572

VOTER REGISTRATION DISPUTE ARISES BETWEEN PLP, FNM

FNM Charges

Nassau THE TRIBUNE in English 28 Apr 86 p 1

[Article by Anthony Forbes]

[Text]

OFFICIAL Opposition Leader Kendal Isaacs said today the Free National Movement "intends to take every step" to remove hundreds of PLP supporters from the Register of Voters.

It is claimed that PLP supporters are being registered in areas in which they do not live.

"This is something we are watching and there is procedure under the Representation of the Peoples' Act to deal with those persons," Mr Isaacs said. "We intend to take every step to have such persons removed from the register."

Mr Isaacs' comments came after FNM Chairman Senator Charles Virgil said today that the party has information that there is an "organised attempt" by the PLP to "pad" the voters list in nine constituencies in New Providence and the Family Islands to win the next general elections.

"We intend to inform the (Parliamentary) Registrar in a formal way today or tomorrow. There is nothing that he can do up to this point," Sen Virgil said.

All FNM constituency associations, particularly in the nine areas, have been put on the alert to look out for persons being registered in constituencies in which they do not live, the FNM Chairman said.

Last month, Mr Isaacs charged that the FNM has information that some persons are registering in more than one constituency and warned that a fine and/or three months prison sentence faced anyone convicted of such an offence.

"Information has come to the FNM that there is an organised attempt by the PLP to pad the register in certain selected constituencies for them to win those constituencies and thus win the elections," Mr Virgil said today.

He said that the party has been informed that the attempt is being made in nine constituencies in New Providence and the Family Islands.

"In one of these constituencies, a Family island constituency, on the old register that died in January, there were over 400 persons on that register who should not have been there," Sen Virgil said.

"We were just about to go through the procedure of taking those persons off the register when that expired," he said.

Sen Virgil said that since the current register came into operation, "a number of persons have registered in this same Family Island constituency who reside and live in New Providence."

"I am at the moment preparing a list of names, where they work and how long they were living in New Providence for public information," the FNM Chairman said. "We are also making preparation to have them removed from this particular register."

"The FNM should not have any fear as we are on to this scheme of the PLP and they can be assured that there will be no one voting where they should not be voting," Sen Virgil said.

The FNM Chairman said his understanding is that a survey was taken for the PLP and the persons responsible for the survey informed the PLP that if an election is called today, they couldn't be sure of winning the election and that these particular nine constituencies are needed to ensure victory and that they are in danger of losing them.

"So therefore, the PLP campaign machinery took a deliberate decision to place persons, staunch PLP supporters, to register in these constituencies in order to ensure victory," Sen Virgil said.

The FNM Chairman was also concerned about the difficulty members of the public are having to get registered.

He said that in New Providence there is only one place to register at the moment and that is the Parliamentary Registration Department, Mosko Building, Hawkins Hill. Registration times are only during working hours.

According to Sen Virgil, there are 23 constituencies in New Providence yet only one place for registration.

He commended the personnel of the Parliamentary Registration Department for doing a good job, but, he said, they are "catching hell."

"But nobody should be taking two to three hours to get registered," Sen Virgil said. "I would urge the Government to open out stations as soon as possible."

In an address to the Delaporte Constituency Forum on March 21, Mr Isaacs the FNM is "concerned from information received that some individuals are registering in more than one constituency and they are hoping to get away with that on election day when they hope to vote more than once."

"Anyone who wants to take that chance of registering in a constituency in which he is not resident or register more than once, stands the risk of being prosecuted and if we find that declarant, then that declarant will be handed over to the proper authorities for the necessary action," Mr Isaacs said at the time.

At an FNM rally on April 3, Mr Isaacs said the Opposition would be vigilant and would ensure that there would be no double registration and no voting by persons who are not qualified to vote.

He put the PLP on notice that "any cheating will be dealt with according to law."

"And if they want to run the risk of being prosecuted, then let them try that cheating," he said.

He declared that it is the party's intention to see that there is "honesty and fair play" because the FNM cannot but win the next election.

PLP Response

Nassau THE TRIBUNE in English 29 Apr 86 p 1

[Article by Anthony Forbes]

[Text]

PROGRESSIVE Liberal Party chairman Sean McWeeney has challenged Opposition chairman Charles Virgill to name names in the alleged PLP "plot" to pad the voters register.

Mr McWeeney called Mr Virgill's "conspiracy" plan for the PLP to win the next elections "an absolute and deliberate fabrication." He said Mr Virgill would not rise to his challenge because there are no conspirators since there "wasn't and isn't" a conspiracy to begin with.

Mr McWeeney was responding to a charge made yesterday by his FNM counterpart that the Opposition has information that there is an "organised attempt" by the PLP to "pad" the voters list in nine constituencies in New Providence and the Family Islands.

"But since Senator Virgill has publicised his delusions that there is a PLP conspiracy afoot to pad the Register, let him now give equal publicity to who these conspirators are," the PLP chairman said in a press statement.

"I challenge him to name them and to name them now," Mr McWeeney said. "Since Senator Virgil has told the public that there is a PLP conspiracy then the public would very much like to know just who the conspirators are, if any there be."

However, Mr Virgill today repeated his charge and said that Mr McWeeney's challenge to him to identify the conspirators seems to be a "cheap attempt at blindman's bluff."

"The National Chairman of the Free national Movement, Senator Charles 'Chuck' Virgil has at long last broken his vow of silence in order to utter a load of gibberish in this morning's Guardian on the subject of Voter Registration and the uncovering of a 'PLP conspiracy to pad the Register' in certain electoral areas," Mr McWeeney said.

"Senator Virgill knows full well that he is talking out of the back of his head when he accuses the PLP of hatching a plot to prostitute the election laws of the Bahamas by deploying persons to register in constituencies in which they do not ordinarily reside," Mr McWeeney said.

"That is an absolute and deliberate fabrication and not a particularly clever one either and I am surprised that Senator Virgill after 'lo these many moons of silence' would decide to make himself look so foolish and politically inept his first time out," the statement said.

"It would have been better for him to have held his tongue rather than utter words that show him only to be a maker of mischief and a bastion of buffoonery," Mr McWeeney said.

"But I can here and now assure the public that Senator Virgill will not rise to that challenge and that he will not now nor ever name the conspirators to the public or to anyone else for the simple reason that there are no conspirators at all since there wasn't and isn't a conspiracy to begin with, save perhaps in the ranging forests of Senator Virgill's imagination," the PLP chairman said.

"Chuck Virgill has to learn that this is the Major Leagues, not some skit out of 'The Three Stooges'," he said. "As for his description of me as a microphone for Lynden Pindling, I am pleased that Senator Virgill has complimented me on amplifying my Leader's message and, at any rate, rather Pindling's microphone than Isaacs' batboy."

In his statement yesterday, the FNM Chairman said that the party's constituency associations, particularly the ones in the nine constituencies, have been placed on alert for persons being registered in areas in which they do not live.

Mr Virgill said that he understood that a survey conducted for the PLP informed the ruling party that should an election be called today, the PLP could not be certain it would win and that they are in danger of losing the nine constituencies.

He charged that in one of the the nine coinstituencies - in the Family Islands - there were over 400 persons on the old register which died in January who should not have been there.

He said that since the new register came out, a number of persons have registered in this same Family Island constituency who reside and work in New Providence.

FNM Reiteration

Nassau THE TRIBUNE in English 29 Apr 86 p 1

[Article by Anthony Forbes]

[Text]

THE FREE National Movement's chairman today repeated his charges that PLP voters are registering in districts where they are not resident.

Senator Charles Virgill claimed that transportation has been paid for certain persons living and working in New Providence to register in the Family Islands.

He considered PLP chairman Senator Sean McWeeney's challenge to him to identify the "conspirators" in the so-called plot to pad the Voters Register, a "cheap attempt at blindman's bluff."

"It saddens me," he said, "to see that the National Chairman of the once proud Progressive Liberal Party is ignorant of what is going on within his own organisation," Sen Virgill said in a statement today.

"However, this does not surprise me since Sen McWeeney is really a Johnny-come-lately to the PLP election campaign's dirty tricks," the FNM chairman said.

"His attempts to get me to play his silly, childish game, are as obvious as the fact that he is several steps removed from where the desperate decisions are made in his floundering organisation," Mr Virgill said.

"However, since the good Senator is my friend and parliamentary colleague, I cannot leave him totally in the dark on this matter and I would point him in a new direction," he said.

"Chairman McWeeney need only ascertain those persons in his party who in desperation will go to any length to try and win the next election simply because they cannot afford to lose," the FNM Chairman said.

"Since every Bahamian, including Sen McWeeney, knows who these desperate persons are, his challenge to me to identify the conspirators seems to be a cheap attempt at blindman's bluff," Mr Virgill said. "One thing I can say though, he did try."

In a statement yesterday, Mr Virgill, echoed concerns expressed on previous occasions by Official Opposition Leader Kendal Isaacs. Mr Virgill claimed that the PLP is making an organised attempt to pad the voters list in nine constituencies to win the next election.

He said the Opposition intends to inform the Parliamentary Registrar about the matter.

Mr Isaacs also said yesterday that the FNM, "intends to take every step" to remove PLP supporters from the Register of Voters who do not live in constituencies for which they have registered.

In a statement yesterday, the PLP Chairman branded Mr Virgill's charges "an absolute and deliberate fabrication" and challenged Mr Virgill to name the conspirators involved in the alleged plot.

Mr McWeeney said that Mr Virgill will not rise to his challenge because there are no conspirators at all since there "wasn't and isn't" a conspiracy to begin with.

The FNM Chairman said today that four of the constituencies are in the Family

Islands while the other five are in New Providence.

"I repeat what I say that there is an attempt by the PLP machinery to pad the register in certain selected constituencies," he said.

"Every day our constituency association officers in New Providence and in the Family Islands are contacting the headquarters alerting us to those persons who are being registered in constituencies where they do not ordinarily reside," he said.

"In some cases we have evidence of persons who have been working and living in New Providence for up to two years or more and whose transportation has been paid for to the Family Islands to register in these constituencies," the FNM Chairman said.

"We are preparing at this very moment the names of persons whom we will be asking to be removed from these particular registers since they do not live in those constituencies," Mr Virgill said.

Last month Mr Isaacs charged that the FNM has information that some persons have registered in more than one constituency and warned that a fine and/or three months prison sentence faced anyone convicted of such an offence.

And in an address to an FNM rally on April 3, Mr Isaacs said the Opposition would be vigilant and would ensure that there are no double registration and no voting by persons who are not qualified.

Registration-Site Openings

Nassau THE TRIBUNE in English 1 May 86 p 1

[Article by Anthony Forbes]

[Text]

OFFICIAL Opposition Leader Kendal Isaacs took credit today for Government's announcement that six voter registration sub-stations will open May 7.

The announcement came a day before the FNM marched to the Ministry of National Security to deliver a letter to demand their opening.

This morning Mr Isaacs led over 50 FNM parliamentarians and supporters from Christie Park to the Ministry's offices in the Clarence A Bain Building where he delivered the letter to National Security Permanent Secretary H C Walkine, who accepted on behalf of Minister A Loftus Roker, who was in a meeting.

"This letter was drafted before the announcement that certain out stations would be opened, but we would emphasize first of all that it seemed that they were not going to be opened unless there were some kind of demonstration against the Minister," Mr Isaacs told Mr Walkine.

He also said that the FNM was "very disturbed" by reports it was getting from the Family Islands where registration was moving slowly and certain opposition supporters were finding it more difficult than others to register.

"So we are glad that you have seen fit to open some stations and we hope that by the end of the week all out stations would be open and persons will be able to register without any impediment and that you would investigate what is going on in the Family Islands," Mr Isaacs said.

The Permanent Secretary told the Opposition Leader that he had taken note of what he had said and that he would "certainly so advise" the Minister.

A large contingent of policemen, under the command of Assistant Commissioner Keith Mason, surrounded and stood guard at the Clarence A Bain Building where the demonstrators waited outside until Mr Isaacs, Montagu MP Orville Turnquest and FNM Chairman Senator Charles Virgil returned from the Permanent Secretary's third floor office.

Several officers escorted the FNMs from Christie Park to Clarence A Bain Building.

Before leaving Christie Park, Mr Isaacs told the group of demonstrators, who wore placards, that they were to demonstrate how strongly they felt to the Minister responsible for the registration of voters.

He said that in some constituencies voters had been forced to queue all day to register.

Following the presentation of his letter, Mr Isaacs told the crowd outside the Ministry office that even though sub stations were supposed to open and "we are taking credit for that and we insist that more...that all the stations be opened."

He said that the FNM has complained in the letter about the problems with registration in the Family Islands.

"And I also complained verbally to him and asked him to see to it that the situation is dealt with very soon. He appeared to be cooperative and has promised to do what is necessary," the Opposition Leader told supporters.

On their return to Christie Park, Mr Isaacs thanked FNM supporters for turning out and making the demonstration a success and also the police officers for their "wonderful cooperation."

"We would all like for them to know that we appreciate that they are doing a job and we feel that this morning, as usual, they have done an excellent job," he said.

Mr Isaacs also invited supporters to turn out for the party's mass rally tonight in Yellow Elder Gardens.

FNM Investigation

Nassau THE TRIBUNE in English 1 May 86 p 1

[Article by Anthony Forbes]

[Excerpt] Official Opposition Leader Kendal Isaacs said today the FNM will not call names until it has completed its investigation into allegations that the PLP is "padding" the voters list to win the next election.

"We are investigating certain complaints that we have received and when our investigations are through, we will be taking the appropriate actions under the (Representation of the Peoples') Act," the Opposition Leader said following a march and demonstration at the Ministry of National Security this morning.

Mr Isaacs was commenting on a charge made by FNM Chairman Senator Charles Virgill that the opposition party had received information that there was an organised attempt by the PLP to "pad" the voters list to ensure itself a victory in the next election.

/9317
CSO: 3298/444

OPPOSITION PARTY LEADER CHARGES GOVERNMENT RADIO-TV BIAS

Nassau THE TRIBUNE in English 2 May 86 p 1

[Article by Anthony Forbes]

[Text]

OFFICIAL Opposition Leader Kendal Isaacs last night protested ZNS's "unfair and prejudiced" policy of giving more coverage to a PLP backbencher than to the two Opposition leaders.

Mr Isaacs also criticised some members of the editorial staff of the Broadcasting Corporation, and charged that the commentaries of newsman Obie Wilchombe in reporting Mr Nattage's attacks against him are "as biased and defamatory as they are deliberate and malicious."

The Opposition Leader's protest came as he addressed hundreds of supporters at a Free National Movement rally at Yellow Elder Park last night.

"As for ZNS, once again they have shown a total lack of willingness to bow to the demands of decency and fairplay," he said.

"As propaganda experts, some members of the editorial staff of the Broadcasting Corporation have clearly displayed the extent to which our national radio and television services have been prostituted to the PLP's policitcal machinery," Mr Isaacs said.

He said that instead of providing an impartial national news service, "they are content to serve as the biased mouthpiece" of the PLP.

The Opposition Leader said that ZNS's Wednesday afternoon broadcast was a good example of the "unfair and prejudiced political policy" of the corporation.

"The sum total of time allotted to the report of an FNM rally, which was also held on Tuesday evening in Grants Town, amounted to one minute, 15 seconds," he said.

The Opposition Leader said that it included introductory remarks by news woman Sophie Saunders, a short excerpt from his speech, and a concluding reference to the fact that the Deputy Leader of the FNM also spoke.

"On the other hand, the PLP rally in Freeport was accorded over 3½ minutes, which included a commentary by Obie Wilchcombe for over one minute, lengthy taped excerpts from Kendal Nottage's speech, and a summary by Mr Wilchcombe of the key points made in the Prime Minister's speech as well," he said.

"How does ZNS justify giving a mere PLP backbencher more coverage and air-time than both the Leader and

Deputy Leader of the Official Opposition?" Mr Isaacs asked.

In addition, he said, it has now become commonplace for Mr Wilchcombe to engage in "sarcastic embellishment in reporting the attacks" made by Mr Nottage.

"His added commentary and jaundiced views, injected as introductory remarks to Mr Nottage's reported speeches, are themselves as biased and defamatory as they are deliberate and malicious," the Opposition Leader said.

"It is unfortunate that this young man has become so caught up in his desire to please his political masters that he no longer makes any pretence of adhering to the practice of impartial reporting," Mr Isaacs said.

"The Bahamian people deserve better," he said. "Clearly, the FNM must protest this blatant abuse of power by ZNS and one or two of its editorial staff."

Telling Bahamians not to despair, Mr Isaacs said he had taken the necessary legal steps to "curtail this campaign of malicious lies and distortion" and would continue to do so whenever and wherever necessary.

"When the voters of the Bahamas go to the polls to end unemployment, and wipe out the chronic corruption and gross neglect of the PLP, they will be taking the first necessary step to rid our body politic of dangerous and corrupt politicians who have lost the ability to see the difference between a lie and the truth, and who, even if they could tell the difference no longer seem to care," he said.

/9317
CSO: 3298/444

RULING PARTY'S ORGAN, THE HERALD, TO RESUME PUBLICATION

Nassau THE TRIBUNE in English 3 May 86 p 1

[Article by Athena Damianos]

[Excerpts] The Herald--Government's propaganda newspaper--is to resume publication this month.

The resurrection of the propaganda sheet has always signalled an election.

Grant's Town MP Bradley Roberts is making arrangements for The Herald's rebirth. Possible start-up dates have been given as May 9 and 16.

Bahamian P. Anthony White, one-time columnist and member of Diversified Services Ltd, a controversial public relations firm headed by former Resorts International man the late David Probinsky, has expressed an interest in the editorship.

Mr White, who has lived in the Cayman Island's and Seychelle's for about eight years, recently returned to Nassau.

"It is true that The Herald is part of the election machinery," said a PLP source.

"The funds will come from persons from within the party," a source said.

The Herald is generally viewed as a newspaper that specilises in fabrication, intimidation and half truth.

It is circulated free of charge in the more densely populated areas of New Providence and some of the islands during election campaigns.

While there has never been a shortage of writers in the past, it is understood that many former employees do not wish to be associated with The Herald.

Former Herald writers include Earlin Williams, who joined the FNM public relations team after falling out with the PLP, Mark Beckford of the Cable Beach Casino and Theatre, public relations executive Michael Symonette and Paul Drake, "master propagandist" and a former Israeli information officer. Former editor Fred Mitchel is in England studying law.

/9317
CSO: 3298/444

BRIEFS

PINDLING 'CAMPAIGNING'--Prime Minister Lynden Pindling has left on a two-day campaign to Acklins and Crooked Island, after which he will go to George Town. He was accompanied by former Cabinet Ministers Kendal Nottage and George Smith who resigned in 1984 during a Commission of Inquiry appointed to investigate drug trafficking and related corruption, Minister of Transport Philip Bethel, Wilbert Moss (Acklins and Crooked Island), Ervin Knowles (Cat Island), Charles Carter (Holy Cross), Minister of Youth Livingston Coakley (George Town) and Sen Ruby Ann Darling. Mr Coakley is to retire from active politics. It is understood that Sen Darling is Sir Lynden's choice as the candidate for George Town. [Text] [Nassau THE TRIBUNE in English 1 May 86 p 18] /9317

CSO: 3298/444

LIBYAN TERRORISM OF LOCAL CONCERN ON SEVERAL COUNTS

Belize City THE REPORTER in English 13 Apr 86 p 2

[Editorial]

[Excerpts]

Recent terrorist bombings aimed at American citizens in Europe and the Middle East have thrust the murky world of terrorism into the limelight of international attention.

We are concerned about mid-East influence in Belize. We know that there is a steady trickly of arms entering the country from abroad. We also know that there is a systematic campaign afoot to establish a market for hard drugs in Belize - notably cocaine. There is good reason for suspecting that the Arab connection is at work in both cases.

If a terrorist organization wanted to route a piece of luggage from Belize to New York via Miami and Eastern Airlines, he could do so by flying the first leg of the journey and getting off in Florida. The baggage would go on to New York. And if that piece of baggage contained a time-bomb, hundreds of persons could die.

Our security at the Belize International Airport is not tight enough to detect plastic explosives or detonation caps, and there are too many people in our country who are prepared to forget morality and respect for human life for the sake of money.

Colonel Khadaffi has already invested some money in Belize in buildings and organizations and seminars. Recently the London Sunday Times reported that Khadaffi secretly provided $400 million in aid to the Sandinista Government of Nicaragua, and is maintaning a team there to advise Managua. All this is coming dangerously close to home.

We do not wish to blow any alarmist whistles here. But it is important to point out that terrorism and drug trafficking go hand in hand. The leaders of both gangs are killers and there is a wealth of proof to show that they collaborate by exchanging information and doing favours for one another.

Belize is embarking on very dangerous waters when we allow the cocaine traffic to take rrot here. Those people in high places, who support cocaine are no friends of Belize. We need to do a house-cleaning, and we need to do it fast.

/9317
CSO: 3298/432

SENIOR CIVIL SERVANTS FORM UNION, SEEK WAGE HIKE

Belize City THE BELIZE TIMES in English 20 Apr 86 p 5

[Text] Senior civil servants comprising permanent secretaries and Heads of Departments have formed their Union, an organization of senior officers and are pressing for a raise of salary.

The Public Service Union only represents junior and middle level civil servants who themselves are dissatisfied over the poor negotiating performance of their union. It is understood that the PSU never did put forward a serious case to the Esquivel Government for a raise of salary. While the Union was telling its members that they would not settle for less than 20 percent and 18 percent, they were asking the Esquivel Government to consider more of their officers for promoting.

The January issue of the Union's newsletter "Vanguard" is very informative on this regard.

Permanent Secretaries and Heads of Department met last Thursday in Belmopan to go over their negotiating arguments for a raise. Those pushing for the biggest increase of salaries were the recently appointed political permanent secretaries.

If Esquivel's handling of the PSU and the Teachers Union's is his way of dealing with workers, then the senior civil servants are wasting their time. The cold face of Mr Esquivel has been turned against them. It is 10 percent and they must wait until July to suit Esquivel and his attempts to use the small raise for City Council election advantage.

/9317
CSO: 3298/432

BELIZE

BRIEFS

U.S. 'INTERFERENCE'--The Minister of Education has failed the youths who are students at BELCAST. Acting with indecent haste, Mr Aikman found that Belizean teachers at BELCAST had dignity and pride. The teachers stood tall as they protested the Minister's action by resigning on the spot. Aikman is now trying to get Peace Corps teachers to act as scabs and take up the posts vacated by the Belizeans. Peace Corps administrators had better refuse to get embroiled in troubles that are just beginning. If US volunteers are going to be used to bail a Minister of Government out of political difficulties this would constitute gross interference in our domestic affairs. It would warrant the most serious protest from our people. Already there are too many peace corp volunteers in proportion to our needs, thus preventing the employment of qualified Belizeans. US interference must constantly be monitored. DEA agents are already taking the powers of arrest from the local police. Now even before Ferris state comes on the scene to replace our BELCAST, Peace Corp teachers are taking over. This is not Belize, USA yet. [Unsigned column "Bottom Line": "Belize, USA?"] [Text] [Belize City THE BELIZE TIMES in English 20 Apr 86 p 6] /9317

TAIWAN TRADE REPRESENTATIVE--The Belize Government has appointed Mr Roger Wen Pah Tien to become honorary Trade Representative to Taiwan. Tien who is 38, is President of Foreign Trade Development Corporation in Taiwan. He has a Bachelor of Arts Degree in Agricultural Chemistry from the National Chung Shin University. He is also a graduate of the Anthony Business College of Los Angeles, California. A Government spokesman in Belize has said the appointment of a Trade Representative to Taiwan means that the government wants to develop stronger commercial, economic and scientific ties with the Republic of China. [Text] [Belize City THE REPORTER in English 13 Apr 86 p 6] /9317

TOURISM ACTIONS--The Government of Belize plans to upgrade the status of the Belize Tourist Board to a Belize Bureau of Tourism with an Executive Director and a full office team with accounts, statistics and clerical departments. Announcing the plans this week, Mr Derek Aikman, Minister of Education and Tourism said Tourism had top priority ratings in the government development strategy. Minister Aikman also announced this week the composition of the new Tourist Board. It is to be headed by Fort George Hotel Manager Paul Hunt. Others on the Board include Miss

Theresa Bowman, Mrs Rosita Vega, Mr Allan Foreman, Mr Escandar Bedran, Mr Anthony Mahung, Mrs Louise Wade, Mr Jerry Nisbet, and Mr David Gegg. There are three ex-officie members on the Board. They are Cpl E. Gillett of the Immigration Department, Miss Winnel Branche of the Archeology Department and Mr Frank Pandy of the Customs Department. [Text] [Belize City THE REPORTER in English 13 Apr 86 p 6] /9317

/9317
CSO: 3298/432

BRAZIL

ENGESA TO SELL 300 ANTIAIRCRAFT ARMORED VEHICLES TO IRAQ

Sao Paulo ISTOE in Portuguese 5 Mar 86 pp 64-66

[Article by Raymundo Costa]

[Text] Whoever remembers the Vietnam War is aware of the efficiency, agility and versatility of the helicopter on the field of battle. In the lengthy war with Iran, now in its 6th year, Iraq also ascertained this fact. This led to a multimillion dollar contract for the purchase of tanks from the Brazalian firm, ENGESA, the country's biggest armored car manufacturer. According to the terms of the contract whose details were being finalized last week, ENGESA will receive $300 million for 300 armored vehicles of the Cascavel type, the leader in company sales, in a modified version which converts it into a deadly weapon against helicopters.

The transaction concluded between ENGESA and the Arabs offers the Brazilians a special advantage. As a result of that contract, the doubts which the Iraqis had for some time entertained concerning the Cascavel's performance in battle definitely became a thing of the past. In fact, until the outbreak of the conflict between Iraq and Iran, the Brazilian vehicles has not yet passed their crucial test. In 1977, Libya sent some of its 150 Cascavel tanks to join a column of Russian tanks from Egypt, but the Libyan tanks were limited to a few minor maneuvers without participating in the war games as such. It was a different story in Iraq.

In fact, all of ENGESA's commercial dealings with Iraq and the prestige of the Cascavel on the international armament market were at serious risk between November 1980 and June 1981 when Iraqi officials definitely doubted the reliability of the equipment. To this day, Jose Luis Whitaker, the company's president and principal shareholder, prefers not to speak of that matter. However, there are at least three reports filed with the National Security Council (CSN) to which ISTOE had access last week and which give a detailed account of the difficulties encountered by ENGESA.

The documents deal with three trips made to Baghdad by Colonel Bussy Clesio Nogueira, currently in charge of the Maintenance Section of the 2d Military Region in Sao Paulo and member of the Research Group, a department of the Army responsible for analyzing the design of any weaponry manufactured in the country. There is also a fourth document written by Whitaker himself shortly after the delivery of 137 Cascavels and 30 tanks of the Urutu type which Iraq purchased in 1980. "We now have to wait for the actual performance of our equipment on the battle field," he said.

On this occasion, Whitaker gave every evidence of optimism. "The presence of ENGESA's president himself, in uniform and working side by side with his team of mechanics to prepare and ship the vehicles to Iraq's Army, had an exhilarating and positive effect at all levels," he wrote. At that time, the Russian, Yugoslav and French technicians, holders of the largest share of the Iraqi weapons market, had abandoned the country at the beginning of the war, leaving the Iraquis without technical assistance. On 15 February 1981, Col Clesio Nogueira landed in Baghdad, having come at the request of Brigadier General Salah Askar, commander of the tank division. The next day he appeared at the Ministry of Defense.

Following Whitaker's example, Col Nogueira holds no press conference, but according to the reports he wrote, it cannot be said that he was favorably received. In fact, the brigadier general was irritated. After all, 2 months prior to that time he had decided to use Cascavel tanks in place of the Russian tanks of a mechanized squadron which was participating in the encirclement of the Iranian city of Dexful. The squadron proceeded as far as Baghdad but did not find the tanks "in operational condition." Askar wanted the armoed cars to be ready within 3 days so that he could use them immediately. If this state of affairs recurs, he warned, "ENGESA's credibility will be seriously jeopardized." He then awaited the reply of the squadron commander who was entered in the CSN files simply as Major Diab.

The major's bad humor appeared uncontrollable: In exercises involving 17 tanks allegedly headed toward Dezful, the Iraqi soldiers, using the 90 mm gun with which the Cascavel is equipped, fired 102 rounds at a target located at a distance of 1,000 meters; only 1 shot landed on the target. As a result, he was of the opinion that "the ENGESA gun did not deserve the least confidence. In short, his attitude toward the Cascavel was quite negative," wrote Col Clesio in the first of his three reports. In view of his long-time acquaintance with the Cascavel, it did not take Clesio long to ascertain that, in reality, the problem was not one of poor aim by the Iraqis. The adjustment and alignment of the guns were incorrect. After this condition was corrected, the cars were again sent to the proving ground. With the first rounds fired with "heat" ammunition, of Belgian origin but furnished by ENGESA, a hazardous flame shot out from the casing as the shell was ejected. The test involving the MAG machine gun, also of Belgian origin, caused the officer to be dismayed: There was no automatic action and the second cartridge was inevitably damaged. There were also problems with the internal adjustment of the gun sights which caused 50 vehicles to be inoperative. More irritated than ever, Brig Gen Askar finally threatened to return all the "heat" ammunition--a total of 20,000 rounds--and machine guns to ENGESA if a solution were not found.

The colonel encountered the same problems on his two subsequent trips. With its reputation at stake, ENGESA hit upon a plausible solution. All ENGESA tanks in Iraq were now fitted with a rack held in juxtaposition to the turret bearing and calibrated from 0 to 360 degrees. This made it possible for the

Iraqi soldiers to make the necessary adjustments and alignments previously achieved by Col Clesio and thus render the tanks capable of accurate aim. defect was also found in the lateral cam (rotating piece) of the gun's recoil mechanism and this was traced to interference with the safety shaft of the electrical firing mechanism. "The cams should be camfered in that area," the colonel suggested and ENGESA acted upon the suggestion. With regard to the machine guns, ENGESA washed its hands: the problem stemmed from a sort of ell or "link," of French origin, and the Iraqis should have been using Belgian material in its place.

ENGESA now claims that a specific lot of vehicles was responsible for the flames produced by the "heat" ammunition which the Arabs classified as "unacceptable" in that it jeopardized the safety of the tank crew. As a matter of fact, that problem is also being encountered by the Brazilian Army with its use of "heat." Similar flames were observed during firing exercises held on the Marambaia proving ground in Rio de Janeiro, but the Belgian technicians give their assurance that this is "normal." No more no less.

The steps taken by ENGESA apparently satisfied the Iraqi Government inasmuch as, 3 years later, 200 more armored cars were ordered--160 Cascavel and 40 Urutus. Last week the first lot of Urutus was awaiting shipment from the port of Santos. The contract signed last week had actually been under negotiation since 1981. At that time, Col Clesio wrote that two American weapons being used by Iran were of particular concern to the Iraqis: the M-107 self-propelled howitzer and the TOW missile used to equip Ayatollah Khomeyni's helicopters and capable of converting Iraq's best tanks into scrap iron. The officer managed to see the shattered remains of a Cascavel hit on the right fender over the middle wheel by a TOW missile. "The only assembly still intact was the gun," he said.

Once confidence was re-established between the two parties, Iraq suggested that ENGESA make a few changes in the Cascavel to enable it to accommodate a 25 mm gun. The Cascavel is normally equipped with a powerful 90 mm howitzer capable of destroying another tank or leveling an enemy fortification. However, it must be manually reloaded after each shot. This may take as much as 3 minutes, more than enough time to be located and destroyed by a missile fired from a helicopter. The 25 mm gun fires as many as 600 rounds per minute at angles capable of hitting a plane--or even a helicopter--flying as much as 3,000 meters high. This is in addition to duplicating everything achieved by the 90 mm howitzer. The ammunition used is the most sophisticated available: the arrow type with hard tungsten point.

The Iraqi order comes to $300 million inasmuch as it includes a large quantity of ammunition. In reality, the vehicles are being sold at a price which is well above the average for the Cascavel--normally about $300,000. This is largely due to the gun which is very expensive but also to the sophisticated electronic components which had to be incorporated in the tank to assure its precision. For example, the Brazilian Army gave a similar order to ENGESA but will be paying only $150 million. Of the 300 vehicles ordered by Iraq, only 60 percent will be new--all of the Cascavel model; the others will be old vehicles rebuilt.

As a result of that experience, the Iraqis appear to be increasingly confident in Brazilian armaments. At the beginning of the 1980's, they were ready to give an order in the amount of $600 million to AVIBRAS for the purchase of Astro II rockets but limited their orders to $250 million. Last week, despite the cash-flow problems being experienced by the Arab countries due to the reduction in the price of oil, a convoy of 150 trucks loaded with Astro II rockets could be seen on Via Dutra headed toward a port on the Sao Paulo coast where the rockets were shipped to the Middle East.

The visit which Fred Charles Ikle, undersecretary for foreign affairs of the U.S. Defense Department, made to our country last week revealed another aspect of the Brazilian offensive in the arms market: Both ENGESA with its Urutu amphibious tank and EMBRAER with its Tucano T-27 training plane are participating in competition promoted by the American Armed Forces. But both ENGESA and engineer Osires Silva, president of EMBRAER, concede that the mere certification that the equipment in question meets the strict quality requirements of the American Military will already be a victory. It will serve as a sort of entrance visa into new markets. The certification of the Americans is equivalent to a sale and is more valuable than the rigorous tests undegone by ENGESA in Iraq which were not concluded until June 1981 when Col Clesio wrote the last paragraph of his reports: "There are now 81 Cascavels in service at the Dezful front and the troops are completely satisfied with their performance." Even Maj Diab smiled.

8568/7051
CSO: 3342/86

HISTORIC SOCIALIST PARTY ISSUES POLITICAL PROPOSAL

Santiago ANALISIS in Spanish 15-21 Apr 86 (insert)

[Text] Introduction

Chile is being subjected to a regime which the majority rejects. This regime, which is based on a continuing repressive war against the people and which has trampled inalienable rights underfoot and established the violence of state terrorism, has plunged the vast masses into poverty and has launched a historic crisis with dramatic affects on the economy, morality and society.

Chile as it is today, with even the recovery of democracy made impossible, subject to the humiliating economic dependence which has been imposed on its structures again, and governed by a dictatorial system established by and serving a minority, needs the active participation of the people in the struggle for democracy, and an economic and social program capable of providing a solution to the problems of underdevelopment and dependence.

Given this prospect, the lack of a powerful socialist force with profound roots among the people is a challenge to which we must face up promptly and decisively, recovering for the people of Chile one of their most important tools in the struggle for social justice and development.

The National Plenum of the Historic Socialist Party, held on 6, 7 and 8 December last, analyzed the need for such a protagonist and proposed the establishment of a Salvador Allende Socialist Movement, based on the determination to recover for socialism the importance and the legacy of the highest representative of autonomous socialism, President Allende, and on the basis of such recovery, to work toward the emergence of a socialist force nurtured by the product of historic socialism, popular and revolutionary Christianity, and the new socialisms which are finding their own identity in autonomy.

Our determination is expressed then in the effort to bring about the Salvador Allende Socialist Movement, for the purpose of providing this tool which is needed and is being demanded by the popular masses and by the workers in particular.

The Current Situation and Tasks for 1986

The choice is between democracy and dictatorship. It is no longer possible to tolerate the level of life we now have. To date, the political mobilization of the masses has been insufficient. It is not possible to move forward toward democracy without achieving a greater degree of unity and agreement, with exclusion and sectarianism being rooted out. Only this will make it possible to amass the strength necessary for the definitive overthrow of the regime.

Within this context, popular mobilization is indispensable. There is no other way in which the people can express, as they have to date, their determination to achieve democracy and replace the dictatorial regime.

The formulation of policies of unity and agreement requires broader and more inclusive plans, with a view to improving the balance of forces in favor of democracy, in terms of quantity and quality.

The stubborn determination to achieve democracy, with this perspective, provides the impetus for an alternative which would rally the left together with sectors of the political center decidedly opposed to a solution plan found within the framework of the illegitimate 1980 Constitution, in an area of opposition unity reflected concretely in an approach to struggle based on the active mobilization of the people and the unarmed nature of the confrontation.

On the other hand, the National Agreement establishes and makes possible a path toward resolution of the problem of the return of power to the people by those currently enjoying it, that is to say, the armed forces.

The levels of unity and agreement expressed in the agreements mentioned, which are inadequate but real, and the proposed tasks of mobilization, make it possible to glimpse a different stage in the struggle for democracy, which offers a valid potential for protagonistic action by a struggling people. However, the active presence of the opposition forces which developed in 1983--the Democratic Alliance and the Popular Democratic Movement--imposes substantive limitations on these goals of agreement and unity. And also, a point which is the central focus of the concerns of socialism, these groups represent a permanent threat to plans for and the existence of a strong and active autonomous socialist policy. This is expressed concretely in the nonsocialist hegemony in these groups. Hegemony is enjoyed in the Democratic Alliance by the Christian democrats, and in the Popular Democratic Movement by the Communist Party. The great degree to which socialism is scattered and splintered contributes to this situation, and limits the real possibilities for the drafting of a policy capable of vigorously relocating the socialist identity and profile, in other words an autonomous, revolutionary, democratic and popular--implicitly Allendist--policy. This is the source of the need to put a socialist protagonist back on the Chilean political scene, with actions based on the repositioning of autonomous socialism as a real and specific alternative for our people, with a social program guaranteeing the rights of the workers, allowing national progress and reestablishing the dignity and independence of Chile. We do urge this formulation of a socialist movement incorporating the legacy of Allende solely as a tactical approach for dealing with a specific situation affecting autonomous socialism as an alternative. Quite the contrary. We want to give the profile and identity of socialism strategic continuity through the recognition and implementation of the policy of Allende and the development of the socialist alternative for Chile.

We therefore consider it essential to remove from its design and development any connotation involving the leadership or superstructure. We want to create a space in which the masses will take their place among the ideas and the actions which are the legacy of Allende, which will mean progress toward a social and political movement with profound roots in the masses.

Socialism and Allende

Socialism derives its identity from the historic program forged over 53 years of life, based on a social transformation of a revolutionary, popular, autonomous and democratic nature, expressed in the Democratic Workers Republic, which proposes a more libertarian and just form for the economy, society and the state, focused on man, on his needs and aspirations.

The Allende policy is the active projection of socialism reproduced at the popular base, converting it into a real mass force capable of existing as a vigorous and all-important alternative for the social majority in all areas.

The Allende policy is the permanent analogy of Chilean socialism. It means criticism of a society founded on social inequalities and the struggle between antagonistic social classes. It means criticism of a society plagued by unemployment, by low wages, by poverty and by neglect. It means criticism of a social system which does not meet the basic needs of all its citizens. Socialism, in the Allende version, is the answer to the aspirations of the workers, to the demand for social justice, to the desire for national independence, to the need to materialize the revolutionary transformation of Chilean society in order to rescue it from underdevelopment and dependence.

The Allende policy is a product of socialism, and socialism is reflected worthily in Allende's concepts and actions.

Projection of this message, this proposal, constitutes the goal of the struggle of the workers and the vast national majorities who in their work and efforts are suffering under the most difficult economic, social and political conditions, into which Chile has been plunged because of a system which allows the progress of a few to place a burden on the shoulders, the labor and the sacrifice of the majorities.

The autonomy of Chilean socialism and its typical characteristics, which distinguish it clearly from other socialist programs, fit specifically within this prospect for change. This autonomy calls for a categorical rejection of overall or globalizing policies, as well as programs produced by ideological blocs or authorities of an international nature.

However, we regard the autonomous socialist option today not only from a point of view based on the nature of the strategic proposal. We also advocate it because of its tactical importance in the struggle for the definitive replacement of the dictatorship.

The socialist policy has its own identity, its own program and its own goals, which may or may not coincide with those of other leftist or politically centrist but progressive forces. It is not a policy of challenge to the programs of the parties of the origins mentioned, nor is it a supplement to the policies characterized by nonsocialist hegemony. On the contrary, it offers proposals and is constructive not only in terms of situational questions, but in terms of the basis of its social and political alternative and its specific identity as well.

The Nature of the Salvador Allende Socialist Movement

Our appeal is directed basically to the people of Allende, to the parties and leaders in the "socialist sector," to the base-level social organizations, to bodies of various sorts developing out of the political will of the people, and to all of the citizens of Chile who recognize their ideological and political position in socialism, with a view to the national articulation of a movement of vast proportions and potential, capable of channeling the ideas and the actions which are the legacy of Allende.

We urge a social and political movement organized from the very base of the people, expressed in constant and multiple ways, such as to make its permanent popular appeal even more profound. To the extent that this concept and this program proceeds to sink roots in the popular base, progress will be made along a path of gradual integration, in which those who recognize in this choice a path for the real development of a socialist policy will join.

We regard the articulation of the Salvador Allende Socialist Movement as a gradual and developing process which will bring forth the Allende movement through the organizations of the workers, the slum dwellers, the students, the women, the artists and intellectuals, the professionals, etc., by means of multiple organic expressions which will lead actively toward a national leadership reflecting this reality.

What is urged here is not only political agreement on the leadership level, but articulation on the basis of a real convergence of the multiple expressions of the socialist, prosocialist and neosocialist nature at the base and under the distinctive seal of the Allende program. It is a question of linking the political and social expressions of socialism on all levels, but with priority for the base areas.

With this desire in mind, we urge a social and political movement which will move from the specific, that is to say the struggle against the dictatorship and the need to strengthen a socialist policy, to the general, that is the resumption and strengthening of a specific program for social and political changes, and from the general to the specific.

In this connection, the Salvador Allende Socialist Movement should be the basic protagonist in achieving unity of the people, with a view to taking action in terms of the transformation of present society, which will make possible a new system of social organization which is more just, more democratic and more independent.

The program of change we propose is based on an economy socialized in five ownership areas--social, private, mixed, self-managed and cooperative; on the socialization of the state and democracy, on the founding basis of pluralism; on the planning of the economy and development; on active participation based on popular sovereignty on all levels of social decision making; on recognition of the United Nations Declaration on Human Rights, with constitutional status; on a system guaranteeing the rights to work, housing, health care and free education to all, etc.

This proposal does indeed fall within the thought and actions of Salvador Allende, in a political formulation which is definitively pluralistic, specifically national, profoundly popular and affectively anti-imperialist.

Since pluralism is the essence of democracy, we recognize the free play of ideas, political as well as religious, cultural, etc. This is the foundation for respect for the individual, for collective interests, for individuals and for social groups. From this point of view, we recognize democracy as a process which is constantly deepening and advancing, calling not only for the exercise of political freedom, but also for the freedom which results from equality of opportunity for each and every member of society.

We propose a specifically national transformation process which will take into account the typical characteristics of Chilean society and the need to base any new social order on autonomy and national independence. We want to develop a social, political and economic model based on the potential of the Chilean people and their right to self-determination.

We maintain our determination to develop a profoundly popular process, wherein the unity of the people represents the irreplaceable tool for change. This unity must be expressed in the actions of the vast national majority which has come out in favor of a social order based on labor, planning, pluralism, solidarity, participation, social justice and self-determination. The unity of the people is the keystone of an authority which must be manifested specifically in social organization and the capacity to rally the people ever increasingly for the conquest and preservation of democracy and the development of the social changes Chile needs. In this connection, we are speaking of the capacity of the workers and the people for the real exercise of power.

Once again we renew our anti-imperialist definition and actions, evidenced in our struggle against the plundering of economies and resources and the subjugation of the political regimes of the peoples of the Third World by the imperialism of the old stamp and the new international imperialism of capitalism. Our struggle against dependence falls specifically within the anti-imperialist struggle and is directed against the present international economic order, a pathetic manifestation of the dominance of the rich countries over the interests and the sovereignty of the poor countries.

A Challenge for the People of Allende

The people of Allende are faced with an unavoidable challenge--to make themselves the basic protagonists in the struggle for democracy and for a more just society with greater solidarity and independence.

The challenge has been thrown down. It calls for the transformation of the will of the people, reflected and rooted in the ideas and actions of Allende, into a political force for organization and struggle. No one will do this for us. Only those of us who have an intimate and profound conviction of the need for a socialist policy, founded on the legacy of Allende, will be able to continue raising the banners and taking up the tasks and the requirements left behind by this heroic president such as to make them the sources of triumph. We must transform our people into a force capable of putting an end to the dictatorship and an outworn social system based on the sacrifice of the poorest for the benefit of the richest.

This is the historic mandate of Allende, which points to a specific path for Marxists and Christians, believers and nonbelievers, men and women, young and old, offering a revolutionary option with a clear content and political profile. Thus socialism today, as an objective program free of Utopian characteristics, is a concrete reality which can neither be set aside nor minimized, much less should it be by its proponents. This is the responsibility of historic socialism, popular Christianity and the new socialisms.

We are faced with an unavoidable challenge, and we must have the generosity, perseverance and stubbornness to make the task of the people and the workers our own, on the basis of the political and ideological foundations of Allende's concepts.

Historic Socialist Party

(The Historic Socialist Party released the above political proposal in connection with the 53rd anniversary of the founding of Chilean socialism on 19 April. Because I regard it as of great interest to the democratic public, I have requested its publication here.--Carlos Moya Ureta)

5157
CSO:3348/522

POLL SHOWS MAJORITY OF STUDENTS COMMITTED TO DEMOCRACY

Santiago HOY in Spanish 14-20 Apr 86 pp 11-14

[Article by Carlos Huneeus, doctor of political sciences and researcher at the Contemporary Reality Studies Center (CERC) of the Academy of Christian Humanism. For this work, he served as the coordinator of a team of which Eduardo Hamuy and Marta Lagos were also members. The survey covered the official list of universities, using a self-administered questionnaire and controlled responses. The sampling included 1,300 students, and the rejection rate was about 20 percent. The margin of error is estimated at plus or minus 0.5 percent.]

[Text] What do Chileans think about the most burning political issues today? Do they want to live under a democratic regime or to continue to live under an authoritarian regime? If they prefer democracy, do they want it established today or in 1989? These are central issues in Chile today, and a large part of political activity has to do with them.

The social analyst would respond that we do not know what Chileans think about these subjects, because we lack adequate mechanisms for measuring their views. In pluralistic democracies, it can be rather precisely determined what the citizens think, because they can freely express their opinions and they have the right to translate them into political actions. Through the polls, the citizens express their views, and they are reflected in the election of their representatives such as parliamentarians and presidents, and they can even change the government and thus alter the policies which have been implemented. The recent parliamentary elections in France have demonstrated this.

The political protagonists in Chile can say that they know what the citizens of Chile think and want politically, but for as long as these views are not expressed through free, secret and informed voting, these statements will lack proper foundation.

It is not only useful for academic reasons, but also necessary from the point of view of political considerations, to know what the Chilean people think about politics.

Political decisions, in any modern country, are made on the basis of knowledge of the will of the citizens, and when a divorce occurs between the two, not only does a crisis of confidence develop in the public institutions, but there may also be revolutionary disruptions or processes. The situation in Poland in 1980, with the emergence of Solidarity, the powerful workers movement, made this dramatically clear.

The direct means of establishing the political opinions of Chilean citizens today would be through elections. As elections are not a reality, we can approach this subject by an indirect means, through surveys. We say indirect not only because elections are the natural and simplest way, being the foundation of political representation, but also because there are technical and practical limitations encountered in the use of this tool. The challenge is to ensure that the free and trustworthy opinions of those interviewed emerge, knowing in advance that the authoritarian context places limitations on the development and expression of free opinion.

A survey made in October and November of 1985 by the Contemporary Reality Studies Center of the Academy of Christian Humanism among students at the Catholic University of Chile (UC), Catholic University of Valparaiso (UCV) and University of Chile (UCh)--at the last mentioned, we including the students in the former Pedagogic Institute, now the Metropolitan University of Educational Sciences--makes it possible to state clearly that the majority of the university students want democracy reestablished.

Without a doubt the sector in question is small and socially limited (to the middle classes), but the opinions of the university students on politics are very important today. This is true first of all because it is a segment of our youth which has not had any direct experience of democracy, except in the case of some, when they were children, who were therefore affected during a crucial stage in their political socialization by authoritarianism (television, education, the philosophy of success and the publicity atmosphere of the regime, etc.). Secondly, this is true because the majority come from the middle strata, which have played an important role in Chilean politics since the 1920s. Thirdly, this group has shown a great capacity for political mobilization and is therefore an important social protagonist in the Chile of today. And fourth, university students constitute the social group which can best set forth its opinions through surveys, because of the greater intellectual and political knowledge of its members.

The survey covered a wide range of questions and issues. In this synthesis, the national-political and democratic-establishment aspects are included. This last issue was examined through questions on the two existing paths--the 1980 Constitution and the proposed National Agreement for Transition to Full Democracy.

In order to provide a accurate report on opinions, the percentages of those who did not respond are included, because they represent an attitude which should be taken into account in order to understand the variety in students' opinions.

1. Support for Democracy

The students were directly asked their opinion of democracy with a question as to which form of government they prefer--democracy or dictatorship. An opportunity to express themselves was also offered to those who believe that these alternatives are not relevant and who could say they are closer to authoritarianism than to democracy (Table No 1).

But one question does not suffice to justify the assertion that the students support democracy. It is necessary to provide it with content, and this was done by means of three questions--as to how the national problems should be resolved, within what political framework the university problems could best be resolved, and as to opinions on the political parties.

After asking about the national political and economic situations, the students were asked what kind of political regime could best resolve the current national problems--a democracy or an authoritarian regime. Here we used the term "authoritarian," rather than "dictatorship," as in the preceding question, since the two were used synonymously in the questionnaire, and the answers did not differ from those to the preceding question (Table No 2).

Then a question was asked about how the university problem can be resolved. Those who believe that it will be resolved within a democracy are in the broad majority, and those who believe that it can be resolved under the present regime are a small minority. This distribution was achieved despite the fact that there were four alternatives (Table No 3).

In order to supplement our investigation on the subject of democracy, we asked about the political parties, because they are an integral part of it and an unresolved issue in the Chile of today. Again the results were categorical in showing strong support of the parties. The percentages were 72.9 in favor and 13.6 against at the UC, 78.4 and 12.6, respectively, at the UCV, and 73.4 and 12.8, respectively, at the UCh (Table No 4).

In short, support for democracy is very broad among the university students, and is greater at the UCV than at the other two universities. Support of authoritarianism is very low, although not insignificant--between 10 and 15 percent.

2. Support of the Constitution

Citizens identify the nature of their political regime with the Constitution. The English speak of their "constitution," although they have no written text, in referring to their democracy, meaning the broad and varied network of institutions, attitudes and characteristics of their political culture. Asking about the 1980 Constitution means asking about the present regime. Those who support it also support the political regime which drafted it and maintains it in order to make its political continuation possible. Those who reject it do so because they support a different political regime. In the preceding section, it was demonstrated that this other political regime is democracy.

Three questions were asked about the 1980 Constitution in order to obtain broad and varied data, for the best possible support of the analysis.

The first question was designed to establish the general opinion of the students about the Constitution. The results are consistent with the data obtained earlier (Table No 5).

Then those interviewed were questioned specifically about the method of electing the president of the republic, being offered the choice of the method provided by the Constitution and election by direct, personal, free, secret, informed and impartially supervised balloting, as proposed in the National Agreement. The results were heavily opposed to the fundamental charter, which means that a substantial portion of the students who termed it "acceptable," "good" or "very good" are not in favor of its temporary provisions, but would prefer direct elections (Table No 6).

In order to supplement the data on this question, and at the risk of appearing redundant, we asked about the scheduling of the presidential election. The results bore out those for the preceding question. A considerable majority of the university students want elections held before 1989. The figures were 66.4 percent at the UC, 73.1 percent at the UCV and 77.3 percent at the UCh, as compared to 19.5 percent at the UC, 19.8 percent at the UCV, and 5.1 percent at the UCh for those who would like the elections held in 1989 (Table No 7).

3. Support of the National Agreement

The earlier questions revealed that the broad majority of university students support democracy and maintain that it should be established before 1989.

In order to supplement our understanding of the political attitudes, it is necessary to know what path is favored for bringing about the establishment of democracy. This can be studied through an examination of the opinions on the National Agreement. This subject is an interesting one. It avoids the continuation of the government-opposition dichotomy, because this document was rejected not only by the president of the republic, but by opposition parties, such as the MDP, as well. As a result, opinions in support of the National Agreement do not represent support of democracy alone, but of a peaceful and reasonable solution as well (Table No 8).

The results here were consistent with the preceding ones. University students broadly support the National Agreement, and therefore they favor the initiative put forth by Cardinal Fresno. In fact, 52.9 percent of the students at the UC are in favor or very much in favor of it, 71.4 percent are more or less so, and only 7.4 disagree and 1.7 percent seriously disagree with it.

Support at the UCV is even clearer. Of the students questioned, 61.7 percent are in favor or very much in favor and 27.5 percent are more or less in favor, while 3.6 percent and 2.4 percent disagree or seriously disagree, respectively.

The attitudes of the students at the UCh also expressed broad support of the initiative. In fact, 48.5 percent are in favor or very much in favor of it, 25.8 percent more or less so, 7.7 percent disagree and 2.9 percent seriously disagree.

Next it was asked whether the students had signed the National Agreement. This was question was designed to establish the level of active support of that document. We recall that some of the signatories of the Agreement rejected the campaign to collect signatures and that some parties which did not sign the Agreement did support its "Immediate Measures," urging the election of the president of the republic, among other points. The high percentage of those who did not answer at the UC and the UCh should be noted, since this makes it necessary to modify the conclusions about the level of support for or rejection of this document (Table No 9).

Support for Democracy

One of the constant factors in the rhetoric and political action of the regime has been harsh criticism of the democracy existing in Chile prior to 1973. We have seen that the young people want democracy today. We went on to ask the reason for this and to explore the influence of the family on support for democracy.

What image of democracy did the young people receive in their homes? They were asked if they recalled discussions of politics in their homes, to which 70 percent answered affirmatively at the UC, as did 65.9 percent at the UCV and 62.6 percent UCh. A minimal number gave "no answer"--6, 3.7 and 7.7 percent, respectively. In other words, two thirds recalled discussions of politics.

Then they were asked the image of democracy created by these conversations. The responses clearly indicated a positive image for 18.6 percent at the UC, 21.6 percent at the UCV and 17.1 percent at the UCh, and an image with positive and negative aspects for a broad majority--56.4 percent at the UC, 56.9 at the UCV and 53.9 at the UCh. Those who retained a bad image of democracy were in the minority--3.8 percent at the UC, 0.6 percent at the UCV and 3.4 percent at the UCh. In other words, the university students moved through negative discussion about the military regime toward democracy in the family.

This does not mean that support for democracy is explained by the family alone, because to this must be added the impact of education, the work of the Catholic Church and the opposition groups and organizations, etc. However it is a relevant factor in any effort to explain political continuity despite the authoritarian context.

To summarize, the students at three different universities have very similar characteristics in terms of support for democracy, as the various questions made clear.

As we see that support for democracy comes in part from family socialization, it might be added that university students' families also support democracy.

We do not wish to go farther in social inferences concerning support for democracy. We believe that these data illustrate support for this form of government in an important social group in the country. They may serve to explain the foundations of and prospects for political action by the students in the Chile of today.

Table No 1--Degree of Support for Democracy

Question: Which of the following statements is closest to your thinking? (Mark one.)

	UC	UCV	UCh
1. Democracy is always preferable to any other form of government.	79.8	90.4	81.4
2. For a country like Chile, dictatorship is better than democracy.	3.8	0.0	4.1
3. It is all the same to me personally whether there is dictatorship or democracy.	2.4	1.2	1.7
No answer.	14.0	8.4	12.8
	100.0 (N: 420)	100.0 (N: 107)	100.0 (N: 414)

Table No 2--The Best Form of Government for Resolving National Problems

Question: Do you believe that the present national problems can be better resolved within the framework of a democratic or an authoritarian regime?

	UC	UCV	UCh
1. A democratic regime.	72.6	86.2	80.9
2. An authoritarian regime.	10.0	1.8	6.0
No answer.	17.4	12.0	13.1
	100.0	100.0	100.0

Table No 3--Form of Government for Resolving University Problems

Question: What is your view on the problem of democratization of the universities? (Mark the statement closest to your position.)

	UC	UCV	UCh
1. The university problem will only be resolved when the country is democratized.	58.8	65.3	61.8
2. The university problem can be resolved under the present regime.	16.7	18.6	22.2
3. There is no university problem, but rather agitation by extremist minorities.	7.4	5.4	3.4
4. It is all the same to me how the university problem is resolved.	2.6	2.4	2.2
No answer.	14.5	8.4	10.6
	100.0	100.0	100.0

Table No 4--Support for the Political Parties

Question: Do you think that the political parties in general are indispensable for governing the country?

	UC	UCV	UCh
1. Yes.	73.4	78.4	72.9
2. No.	12.8	12.6	13.6
No answer.	13.8	9.0	13.6
	100.0	100.0	100.0

Table No 5--Degree of Approval of the 1980 Constitution

Question: What is your opinion of the political constitution of 1980 for the Chile of today?

	UC	UCV	UCh
1. Very good.	2.9	3.6	1.9
2. Good.	11.2	6.0	8.7
3. Acceptable.	16.4	23.4	13.8
4. Bad.	24.5	29.9	30.9
5. Very bad.	25.0	25.1	24.2
No answer.	20.0	12.0	20.5
	100.0	100.0	100.0

Table No 6--Method of Electing the President of the Republic

Question: The National Agreement provides that the president of the republic should be elected by direct, personal, free, secret, informed and impartially supervised balloting. We would like to know if you agree with this method of election or if you prefer that established by the 1980 Constitution.

	UC	UCV	UCh
1. I prefer direct elections.	69.8	86.8	77.3
2. I prefer the 1980 Constitution formula.	7.9	4.8	5.1
No answer.	22.3	8.4	17.6
	100.0	100.0	100.0

Table No 7--Scheduling of the Election of the President of the Republic

Question: When do you believe that the presidential election should be held?

	UC	UCV	UCh
1. It should be held prior to 1989.	66.4	73.1	77.3
2. It should be held in 1989, as provided by the Constitution.	19.5	19.8	5.1
No answer.	14.0	7.2	17.6
	100.0	100.0	100.0

Table No 8--Support of the National Agreement for Transition to Full Democracy

Question: At the invitation of the cardinal archbishop of Santiago, Monsignor Juan Francisco Fresno, the National Agreement for Transition to Full Democracy was signed. We want to know if you agree with this document or not.

	UC	UCV	UCh
1. Strongly agree.	24.3	21.6	15.9
2. Agree.	28.6	40.1	32.6
3. Agree more of less.	21.4	27.5	25.8
4. Disagree.	7.4	3.6	7.7
5. Seriously disagree.	1.7	2.4	2.9
No answer.	16.7	4.8	15.0
	100.0	100.0	100.0

Table No 9--Signatories of the National Agreement

Question: Did you sign the Agreement?

	UC	UCV	UCh
1. Yes.	26.0	33.5	24.4
2. No, but I would like to.	22.1	22.2	20.5
3. No, because I do not agree with the collection of signatures.	10.2	15.0	10.1
4. No, because I only support the immediate measures in the National Agreement.	8.6	13.2	12.3
5. No, because I oppose the National Agreement.	7.4	3.6	6.8
No answer.	25.7	12.6	25.8
	100.0	100.0	100.0

5157
CSO:3348/0522

SHANTYTOWN DWELLERS' CONGRESS AIMED AT UNIFICATION

Santiago CAUCE in Spanish 14-20 Apr 86 pp 21-22

[Article by Paulina Modiano: "Unity Difficult for the People"]

[Text] Despite their anguishing common problems, the slum dwellers in Santiago have encountered serious difficulties in achieving unity of purpose and action. Unity is therefore not just a challenge to the so-called opposition leadership alone. Possibly being the expression of the natural diversity in human societies or the conflict of interests between various ideological trends, lack of unity, if not in fact division pure and simple, is a real fact.

However, as there is a desire to deal with the problem and find a solution, various organizations, including the Metropolitan Poor People's Coordinating Board, Dignity, the Population Groups Coordinating Board (COAPO) and other base groups, will hold the First United Slum Dwellers Congress on the 14th, 15th and 16th of the month.

To begin with, the congress will attempt to establish the foundations for a single organization.

An effort has already been made. This was in 1984, when the Popular Unity Committees (CUP) were established.

These CUP have served to date to carry out a number of joint actions designed to win satisfaction of some basic demands.

In order to have a clearer idea of the goals of the congress and the expectations of its organizers, CAUCE talked with the leaders of the three associations mentioned above, and also that which differs most seriously on the issue of a single central organization, Solidarity.

Making the CUP Organic

Eduardo Valencia, a Metropolitan Poor People's Coordinating Board leader, told CAUCE that "what is wanted now at the congress is to provide the CUP with an organic structure, with the establishment of general guidelines. These should represent the various organizations and, above all, reflect the basic needs of the residents. This will make it possible to develop a truly united group later on."

Despite the growing interest in increasing the participation of the residents in the establishment of a broader and more representative organization, the diversity of approaches to dealing with its problems has worked against this concept.

"One of the main difficulties which has hindered the search for unity," Jose Hidalgo, a leader of the Dignity movement, maintains, "is that our organizations are very new. We have had to begin at zero and to build little by little, because there has never been a body which really rallied the poor population in our country. We realize that the participation has not been very great thus far (it is estimated that out of a total of 2.5 million slum dwellers in Santiago, only 200,000 are members of the various groups), but this is due in large part to the repression constantly being exercised against the neglected sectors. Without a doubt, this causes great fear and inhibits the people's ability to express their views. Therefore we consider it very important to have a single organization which will sponsor coordinated mobilizations, so as to raise the level of participation at the population base."

Rene Tapia, a COAPO leader, also emphasizes that the most important thing for the real establishment of a single, strong organization is the strengthening of the small groups. The residents must be brought together by sector, commune and larger territory, in groups which will reflect their most urgent needs.

Tapia says that "We know that the demands of the people are simple, and that the people mobilize first of all to obtain housing, schooling, work and all those things which are essential to survival. Therefore, although we are aware that we must wage a more general struggle, we must begin by achieving certain basic goals which, in the final analysis, are the most important."

Different Mobilization Methods

While the vast majority of the organizations agree on the diagnosis of the main problems affecting the slum dwellers, what has made the development of a unity process most difficult to date is the diversity in the solutions they propose. This is one of the reasons the Solidarity movement (the fourth ideological reference in the popular sector) sets forth for its refusal to participate in the congress.

While the other groups advocate developing a continuing mobilization effort, including such actions as seizures of land, for example, Solidarity rejects these alternatives because it believes that at the present time, "this would only mean sacrificing whole families, which would take a beating, would lose the few assets they have, and on top of this, would in the end be arrested."

It urges, on the other hand, that the slum dwellers exert steady pressure on the government authorities to obtain satisfaction of their needs, or that they create their own solutions, such as housing cooperatives, family gardens or health committees, among other things.

The Basic Problem

But beyond the various strategies for mobilization coexisting in the world of the shantytowns, one of the basic questions which will be a focus of discussion at the congress is whether or not it is desirable to have a single organization.

Eduardo Valencia maintains that in the expanded gathering of slum dwellers held in 1984 out of which the CUP developed, it was made clear that the "The people want a united organization, since many of the base-level leaders state that they are not prepared to recognize any of the others now in existence, but only a body which would provide general coordination. Therefore, if a single organization were to be created, we would be prepared to surrender our identity as the spiritual guide of the slum dwellers. The problem lies in the fact that some of the groups are not prepared to do this."

Jose Hidalgo, for his part, says that the creation of a central body should not necessarily involve the disappearance of the present groups, since "It is perfectly possible to create a body in which all of the various organizations are members, as is the case with the National Workers Command, and this body would approve coordinated programs and general actions to be pursued."

Solidarity, on the other hand, rejects the establishment of a single group, since its leaders believe that at this time "The slum dwellers' movement has not acquired sufficient maturity to be joined together under a single umbrella."

"We are prepared to work together on certain very situational activities," Hugo Flores, a leader of that organization, says. "One evidence of this willingness is the list of slum dwellers' demands signed by all of the organizations. However, we believe that if a single coordinated slum dwellers' organization were established at this time, the possibility of participation would be closed off for many people, because such an organization could never reflect the needs and the thinking of all the slum dwellers."

In the final analysis, and beyond the differences of opinion among the various organizations, there is a clear awareness in the slum dwellers' sector that the solution to their problems will not come immediately, and that unity is a difficult goal to achieve. Perhaps this congress, supported by some and rejected by others, will be the first step toward reaching this goal.

Frustrated Land Seizure Attempt

On Sunday, 6 April, a group of homeless slum dwellers attempted to "seize" land at a site belonging to the University of Chile and located near the Cardinal Juan Francisco Fresno Camp. Their intention was to establish a new camp called Andre Jarlan.

The slum dwellers arrived about 8 am. Shortly afterward, a heavy contingent of police surrounded the sector with armored vehicles and buses, and with the support of helicopters, proceeded to clear the occupied site in violent fashion, using tear-gas canisters and hose carts.

The slum dwellers, determined to find a place to live, tried to effect the "seizure" again several hours later. They were again driven back by the police. During this second attempt, a number of persons were injured by small-bore bullets and buckshot, and about 50 were arrested. They were released the following day.

Despite their failure, the leaders of the committees of the homeless who participated in this effort said that the slum dwellers are determined to "continue to fight for our right to decent homes."

5157
CSO:3348/522

BANK OF BOGOTA LOSSES, PROBLEMS OF FINANCIAL SYSTEM VIEWED

876 Million Pesos Lost

Bogota EL SIGLO in Spanish 3 Apr 86 pp 1, 2

[Article by Raul Rodriguez Puerto]

[Text] As the adjourned meeting of the Bank of Bogota stockholders resumed yesterday, those in attendance were surprised by the news that after the accounting adjustments made by the Superintendency of Banks, this major financial entity ended up suffering losses of 982 million pesos in the second half of 1985. The loss figure for the year as a whole was reduced to 876 million pesos by subtracting the profits earned in the first 6 months of last year.

The meeting resumed at 1600 hours, having been adjourned last Monday. The yearly report was read, and it stated that in the second half of 1985 the Bank of Bogota had gross earnings before allowances of 4.139 billion pesos, a 67 percent jump. The institution, however, was forced to set aside millions of pesos to guarantee bad debts, which ultimately resulted in losses for the bank. This contrasted with unofficial reports that the bank had earned 212 million pesos.

It should be noted that the bank did earn profits in Colombia, but in accordance with banking regulations, the home office had to assume the losses of its branch offices in Panama and the Bahamas, primarily the former. As a result, the final balance was negative, and the institution did not have the resources or earnings to pay out dividends to its shareholders.

Despite the losses, the bank directors, headed by President Jorge Mejia Salazar, explained that the bank's financial position became more sound. They added that when the bank sold its stock in the Savings and Housing Corporation, Davivienda, for a total of 1.1776 billion pesos, it netted a profit of 866 million pesos. Although these earnings will be recorded in the 1986 books, they will make up for the losses in 1985.

Several circulars sent by the Superintendency of Banks to the Bank of Bogota were read during the meeting. In these documents, the agency explained the reasons for the accounting adjustments which forced the bank to assume $22.7

million in losses for its Panama branch. It had to make allowances for this outlay, and that naturally affected its profit and loss statement.

According to the bank report, which was finally approved by the Superintendency and later by the shareholders at the meeting, the bank's income for the second half of 1985 totaled 16.018 billion pesos, total outlays were 11.879 billion, profits before allowances were 4.139 billion, and allowances of 1.37 billion had to be set aside for problem loans, 2.197 billion for bearer securities, and 1.554 billion for other items, including taxes.

In the messages or circulars from the Superintendency of Banks to the Bank of Bogota, German Tabares presented a series of explanations as to why the Bank of Bogota head office had to assume losses suffered by its subsidiary in Panama.

Banks Selling UPAC Shares

Bogota EL SIGLO in Spanish 4 Apr 86 p 9

[Article by Raul Rodriguez]

[Text] The son is outdoing the father. This is what is happening in the Colombian financial system, where the banks as stockholders were the primary impetus behind the creation of the Savings and Housing Corporations and are now being surpassed by them. As a result, the banks have decided to sell their shares in the controversial system of constant-value certificates.

The Bank of Bogota's recent sale of its shares in Davivienda, equivalent to 30 percent of all that corporation's shares, is one example of this trend. The sale netted 1.1776 billion pesos, yielding a profit of 866 million pesos.

Banker Jorge Mejia Salazar, explaining the motives that led the Bank of Bogota to sell its stock in Davivienda, stated that the situation justifies this kind of transaction because the corporations of the Constant-value Savings and Loan Certificates (UPAC) system have already taken shape as financial institutions, to the extent that many of them have more deposits than the banks do. The banks need those funds now to promote their necessary capitalization programs.

On this point, the president of the Bank of Bogota asserted that given the devaluation of the peso last year and the fact that financial institutions' assets are in pesos and not dollars, the capitalization of institutional intermediaries is an urgent necessity. This is what the government is promoting through the agencies it created for the purpose.

In addition, Luis Carlos Sarmiento Angulo, another major shareholder in the Bank of Bogota (although the stock is now in a trust managed by the Coffee Bank), pointed out that it is clear that capitalization policies are indispensable. He added that the Bank of Bogota will capitalize itself with a little over 2 billion pesos: The bonds that have to be converted into shares will generate 1.2 billion pesos, and it earned 866 million pesos by selling its stock in Davivienda.

Jorge Mejia Salazar contended that today the Savings and Housing Corporations already have taken on a life of their own, which explains the Bank of Bogota's decision to sell its shares in Davivienda. Apparently, several construction firms intervened in that transaction.

Recovery

The Bank of Bogota shareholders and directors, despite the losses of 982 million pesos suffered in the second half of 1985, expressed their confidence that the bank will show clear signs of recovery this year. The rest of the financial system and the national economy as a whole are expected to show similar signs as a result of the successful adjustment process and the coffee windfall, as well as the support of the administration's sweeping capitalization plans.

Jorge Mejia Salazar, who announced that the Board of Directors will respond to the messages sent by the Superintendency and will clarify points on which there are differences, asserted that the bank will advance additional capitalization plans, although he did not specify what mechanisms will be used. They will include bonds that must be converted into stock, he noted.

This was also reported by Luis Carlos Sarmiento Angulo, who also stated that so far no specific terms have been laid down for the possible transaction in which the Coffee Bank would turn over management of the 63 million shares it has in trust to the Guarantee Fund which the government created for the financial system last year.

Specifically, the director of that fund, Luis Alberto Zuleta Holguin (who represented those 63 million shares at the stockholders' meeting), spoke out and responded to some doubts expressed by minority shareholders. He said that the government's intention is to consolidate conditions so that financial institutions which have had liquidity and profit problems can once again be transferred to the private sector. This would simultaneously strengthen the policies of capitalization and democratization.

Like the Bank of Bogota, other intermediaries showed losses in 1985, but their directors and shareholders have reiterated their confidence that the red ink will turn black in 1986. They expect the banking sector and the entire system to be on the road to recovery and strength, which will yield benefits to the whole Colombian economy. To develop, the economy needs a larger and stronger financial system, which will begin to happen only when banks regain their liquidity and become an attractive investment.

UPAC System

Whereas some banks, such as Occidente and Bancoquia, showed very encouraging results in their annual reports, others, such as Bogota and Commerce, were not so promising. In the case of the Savings and Housing Corporations, the results have been very favorable, as demonstrated by Davivienda and Las Villas.

Consequently, potential investors abound, particularly among people linked to the construction industry who are interested in purchasing stock in the entities of the constant-value system.

The UPAC system has seen investment rise considerably in recent years, although the government's monetary correction measures and the move to lower national interest rates have eroded those gains somewhat. For this reason, the government is considering alternatives to guarantee the system's competitiveness on the financial market and therefore the availability of resources to finance the vast housing programs.

Analysis of Banking Sector

Bogota EL SIGLO in Spanish 8 Apr 86 p 9

[Text] The results yielded by the banking sector in 1985 show that the problems of the financial system are more complicated than was initially assumed, and also explain the government's eagerness to help the banks and other intermediaries. They also reveal certain incongruencies in the strategies to strengthen this sector, however.

On the one hand, the economic recession which this country has undergone had a belated impact on the financial sector; while other areas were suffering severe problems, this sector paradoxically was feeling very little damage, and was producing relatively encouraging results.

At the time, official policies were subject to harsh criticism for allegedly driving up the cost of money, to the detriment of productive sectors. These sectors continued to feel the pinch of rising financial costs, and eventually the number of bad debts soared in the financial system.

On the other hand, the current results also reflect the profound repercussions of the crises and irregularities of 1982 and part of 1983. In view of these circumstances, the government took drastic measures, which initially were challenged but have been justified over time.

In any case, without detracting from the administration's good intentions, it is clear that there has been a certain lack of consistency in the handling of the situation. This can be explained by the very complexity of the problems, and the relationship between these problems and other areas of the economy. To overcome obstacles in the exchange and fiscal spheres, it was necessary to intervene in the financial sector so that the adjustment process could be rounded out and sufficient guarantees could be provided to international agencies. The one certain thing that emerges from all this is that today the banks are undergoing a difficult period, although their spokesmen are optimistic that along with the economic recovery and the recent coffee windfall, the banking sector and the financial system in general will also move ahead and overcome these difficulties.

Most of the problems evidently stem from the costly defaults on loans, which involve millions of pesos. As we explained before, these defaults were rooted in the same recession problems that wreaked such havoc with the productive sectors.

In this way, businesses faced such a severe liquidity crunch that not only did they lack the funds to pay off the principal, but they could not even meet the increasingly burdensome interest payments, including both normal interest and the late payment charges.

Now, however, the important thing is to consolidate these good intentions and the signs of recovery hailed by the bankers, and to implement the capitalization policies and take advantage of the coffee windfall. This will ensure that the positive symptoms seen at the end of 1985 will help the banking sector, since the country would gain nothing by having productive sectors without a financial system that can respond to the increasing needs for financing.

It is good that the bankers themselves and the government are both providing the public with clearer explanations of the reasons why several banks' foreign subsidiaries are yielding heavy losses, and why the home offices have had to assume these losses pursuant to legal requirements. These factors have accentuated the difficult position the banks are already undergoing as a result of their problem loans.

Colombians in general, and bankers in particular, are confident that these difficulties will finally be overcome and the government will have fulfilled another of its promises, to the effect that it will return to the private sector the financial institutions in which it had to intervene or into which it had to pour government funds.

8926
CSO: 3348/528

OIL PRODUCTION SETS NEW RECORD IN LATE MARCH

Bogota EL SIGLO in Spanish 4 Apr 86 p 2

[Text] Colombia attained the highest oil production figure in its history at a time when prices on the world hydrocarbons market were severely depressed.

Production rose to 286,000 barrels per day as of 31 March, reported the Colombian Petroleum Enterprise (ECOPETROL). Its previous high was 210,000 barrels per day, in 1970.

The increase came about when the country's largest oil deposit, located in Cano Limon, began pumping 100,000 barrels a day to load a 768-km pipeline, extending to the port of Covenas in the Caribbean, for export.

The Cano Limon deposit is owned by the state-run ECOPETROL and the Anglo-American consortium Shell-Occidental. It is located in eastern Arauca, along the border with Venezuela.

The pipeline's capacity is 120,000 barrels per day, so Colombian oil production can rise as high as 405,000 barrels per day. The government has not yet determined what volume it intends to export, however, and is waiting to see what happens to prices on world markets.

Colombia needs 215,000 barrels a day for domestic consumption, and beginning in June, when the pipeline project is finished with the installation of five pumping stations, it will have an export capacity of 190,000 barrels per day.

Sources at the Ministry of Mines and Energy stated, however, that exports began at just 30,000 barrels a day, as officials waited for prices to improve.

Meanwhile, Minister of Mines and Energy Ivan Duque Escobar said that Colombia is benefiting from the drop in oil prices, which has cut by 25 percent the price of the gasoline it must import to make up for a shortfall of about 15,000 barrels a day in local refineries.

8926
CSO: 3348/528

SHOE EXPORTS PROJECTED TO REACH $100 MILLION IN 1986

Bogota EL SIGLO in Spanish 7 Apr 86 p 9

[Text] Exports of leather goods may break through the $100-million barrier in 1986. Within this context, the recovery of the U.S. and Puerto Rican markets for Colombian shoes is most noteworthy.

This sector generated $76 million for the country in 1985 as a result of an aggressive marketing policy that was carried out jointly by the government, through Proexpo, and industrialists in this sector.

The most important share is represented by the morocco leatherwork subsector. Last year international sales in this area totaled $42 million in purses, suitcases, briefcases, attache cases, and other goods.

The success of the leather processing industry lies in the application of new technologies, which enabled it to eliminate bottlenecks in the area of quality. In addition, this is a dynamic sector in terms of the intensive utilization of artisan labor. These factors earned the subsector special treatment by the Colombian Government under the General Export Plan.

In addition to morocco leatherwork, the shoe subsector netted the country $14 million from exports in 1985. One company alone (La Corona) produces 2,200 pairs of shoes per day, and an average of 160 workers contribute to the manufacture of each shoe. By the second half of the year, it will be exporting 15,000 pairs of shoes to the United States and Puerto Rico.

In the morocco leatherwork subsector, the Compania Marroquinera and other firms are exporting their products to the FRG, the United States, and various European countries. Colombian goods have opened up major markets in Europe, despite the restrictions and the strong competition there.

In the case of tanned leather exports, last year the country earned $8 million in foreign exchange. On this front, a single company (Colcurtidos) processes 1,700 hides a day. Despite the advances achieved, there are still quality problems as a result of cattle brands and the effects of diseases. Colcurtidos processes an average of 55,000 hides at a cost of $1.10 per square foot. Usually a hide is 40 square feet, meaning that its price if $44. This firm has technical and advisory relations with the FRG, Argentina, and Italy.

As stated above, the leather and leather goods industry is being given priority attention by the government under its policy of promoting lesser exports. Last year Proexpo lent this sector over 2 billion pesos. In addition, it granted post-shipment financing totaling more than 500 million pesos.

Proexpo Director Alberto Schlesinger Velez reported that to reinforce the financial support the entity is providing this export sector, it is encouraging new measures designed to improve the quality of hides by hiring international experts. Similarly, the sale of leather goods will be promoted in the most important specialized exhibitions in the world, such as the Ofenbach fair in the FRG, the international leather week in Paris, and the Mipel fair in Italy.

8926
CSO: 3348/528

COLOMBIA

BRIEFS

RICE EXPORTS TO IRAN--Agriculture Minister Roberto Mejia Caicedo jumped into the public dispute over rice exports, throwing all his weight behind the trade association called the Federation of Rice Producers (INDUARROZ) to encourage it to export 75,000 tons of the grain to Iran. Directors of FEDEARROZ, meanwhile, urged their members to close ranks in order to reduce the area under cultivation. INDUARROZ Manager Medardo Bermeo Florez explained that exporting 75,000 tons to Iran would net the country $30 million in foreign exchange. "A letter of intent has already been signed with that Middle Eastern country, and the negotiation process, which will be highly favorable to the entire Colombian rice sector, is well underway," he stated. [Excerpts] [Bogota EL ESPECTADOR in Spanish 6 Mar 86 p 8-A] 8926

CSO: 3348/528

FRIENDSHIP TREATY WITH NORTH KOREA PUBLISHED

Havana GRANMA in Spanish 12 Mar 86 p 1

[Text] Pyongyang, 1 March (ATCC)--The Treaty of Friendship and Cooperation between the People's Democratic Republic of Korea and the Republic of Cuba was signed today.

The document was signed by Kim Il Sung, secretary general of the Korean Labor Party Central Committee and president of the People's Democratic Republic of Korea, and by Fidel Castro Ruz, first secretary of the Cuban Communist Party Central Committee and president of the Council of State and Council of Ministers of the Republic of Cuba.

The text of the treaty reads as follows:

The Republic of Cuba and the People's Democratic Republic of Korea:

Considering the strong ties of brotherhood and solidarity that have bound them both over more than 2 decades of revolutionary and anti-imperialist combat, on the basis of the principles of Marxism-Leninism and proletarian internationalism, agree that multilateral development and the expansion of the close and fraternal relations between the two countries on all levels are entirely in keeping with the fundamental interests of the peoples of Korea and Cuba.

Inspired at the same time by the desire to contribute actively to the preservation of peace and security in Asia, Latin America, Africa, and the rest of the world, as well as the strenthening of the unity of all revolutionary, progressive and peace-loving forces throughout the world, including the forces of socialism, the international communist and worker movement, the nonalignment movement, and the national liberation movement; and considering that they share with those forces the duty to oppose, impede and thwart the imperialists' policy of aggression and war, have decided to sign this Treaty of Friendship and Cooperation.

Consequently, they have agreed to the following:

Article I

The high contracting parties will continue in the future to strengthen the fraternal ties of solidarity that bind the parties, governments, and peoples of the two countries. They will expand and develop multilateral cooperation on all levels, adhering to the principles of proletarian internationalism, respect for sovereignty, full equality, and non-interference in internal affairs, in a spirit of camaraderie and mutual benefit.

Article II

The high contracting parties will regularly exchange experiences in various aspects of the construction of socialism, and will promote the intensification of cooperative relations among the political, social, and mass organizations of both countries.

Article III

The high contracting parties will adopt the measures necessary to foment the development of exchange and cooperation among the various state agencies responsible for the economy, culture, science, technology, education, public health, radio, television, film, art, literature, the graphic arts, sports, communications, and other fields.

Article IV

The high contracting parties will continue their efforts in the active defense of the conquests of socialism and the strengthening of unity and cohesion among socialist countries and the international communist movement, based on the principles of Marxism-Leninism and proletarian internationalism. Similarly, they will strengthen their relations of friendship and cooperation with all revolutionary and progressive parties and states.

Article V

The high contracting parties confirm their strong support for the struggle of various peoples against imperialism, colonialism, neocolonialism, racism, and Zionism, in the name of liberty, social emancipation, the consolidation of independence, progress, peace, and security.

Article VI

The high contracting parties will firmly oppose all manipulation and intrigue perpetrated by the imperialists for the purpose of fomenting divisiveness among countries and within nations, pitting them against each other and maintaining the exploitation and domination they exert over other peoples.

Based on these underlying principles, the Republic of Cuba repudiates the imperialist machinations to impose the monstrous idea of "two Koreas," and supports the just position of the People's Democratic Republic of Korea in demanding the withdrawal of foreign troops and their nuclear weapons from the southern part of the peninsula. In that way, the problem of the reunification of Korea can be resolved independently and peacefully, without any foreign interference, and in accordance with the principles of overall national unity.

The People's Democratic Republic of Korea condemns the criminal imperialist blockade, and opposes any kind of aggression or interference against the Republic of Cuba. In its strong determination to defend the fatherland and the conquests of socialism, and to guarantee peace in the Caribbean and Central America, Cuba also has the support of the people and government of the People's Democratic Republic of Korea.

Article VII

Should the imperialists and their puppets threaten or attack one of the high contracting parties, the other will consider itself to be threatened or attacked, and will lend all possible support and assistance.

Article VIII

The high contracting parties will cooperate more closely in the common struggle to put an end to the arms race and the insane development of nuclear weapons and other means of mass extermination by the imperialists, and to prevent their installation in outer space and achieve total and complete disarmament for the purpose of maintaining and consolidating peace and security throughout the world.

In this regard, they consider an important prior condition to be the elimination of threats and the use of force as a means of solving international conflicts, given that they unconditionally repudiate this practice.

Article IX

The high contracting parties will engage in a common effort to contribute to the continuing strengthening of unity and solidarity within the Nonaligned Countries Movement, and to the expansion and development of this anti-imperialist force, whose influence is now growing.

Article X

The high contracting parties will work together in the struggle against the current international economic order, the fruit of colonial and neocolonial domination by the imperialists, and will strive to establish the New Order in international economic relations in order to do away with dependence, the unequal terms of trade, and the merciless plundering of underdeveloped nations.

Article XI

The high contracting parties will maintain a continual exchange of information and ideas on the most important international problems, and will coordinate their actions on all matters of common interest, within the spirit of this Treaty.

Article XII

The high contracting parties declare that this Treaty will take effect when it is signed, and will be valid for a term of 20 years. Its effectiveness will automatically be extended for 10 years, unless one of the parties proposes to the other in writing that it be abrogated 6 months before it expires.

The Treaty of Friendship and Cooperation between the People's Democratic Republic of Korea and the Republic of Cuba is signed in Pyongyang, capital of the People's Democratic Republic of Korea, this 11th day of March 1986. Both texts, the Spanish and the Korean, are equally authentic.

Fidel Castro Ruz
First secretary of the Central Committee of the Communist Party of Cuba and president of the Council of State and the Council of Ministers of the Republic of Cuba

Kim Il Sung
Secretary general of the Central Committee of the Labor Party of Korea and president of the People's Democratic Republic of Korea

8926
CSO: 3248/394

CUBA

FUNDING SYSTEM FOR MATERIAL INCENTIVES UNDERGOING CHANGE

Havana GRANMA in Spanish 26 Mar 86 p 2

[Article by Jose M. Norniella]

[Text] A new method that directly links the process for planning material incentive funds in an enterprise with the formulation of its technical-economic plan (proposed guiding figures) will be implemented in 1987, announced Luis Molina. Molina is an official of the Central Organization of Cuban Trade Unions (CTC) who is in charge of matters related to the Economic Management and Planning System (SDPE).

In this way, the serious problem of disincentives will also be solved in enterprises with rigid planning, because their growth potential has been exhausted under the present circumstances.

Since these enterprises were unable to grow much from one year to the next, they received prizes for very small increments. On the other hand, other enterprises that were much less efficient, but therefore had much more room to grow, increase their productivity and production and reduce costs, received more prizes, even though their results were not as good in all respects.

The current method has already served its function and should be replaced with a more modern, improved version, said Molina. He argued that until now there was no relationship between the planning of the prize fund and the approval of the plan's guiding figures. When the latter varied, the incentives bore no relationship to the specific results achieved by the enterprise, and there were sometimes unresolvable conflicts. This situation hampered the development of the economic planning system.

The new method has been implemented since last year in some chemical enterprises. Now the experience is being extended to construction and domestic trade enterprises. Next January it will be applied to all enterprises in the country.

The conflict between disincentives and rigid plans is now resolved, because prize funds are planned at the same time that the technical-economic plan is drawn up. If the guiding figures are changed upon approval, the planning of the prize fund is adjusted to the new conditions, said Molina.

Now the real figures for one year will not be measured against the real figures for the previous year, but rather against the present year's plan. This result will be the basis for calculating the enterprise's prize. The average level of efficiency in the entire subsector is used as a point of comparison. Those who obtain better results will receive larger prizes. Those who fall below the average will receive smaller prizes. The amount of the fund is calculated by multiplying the prize by a quota that is adjusted according to the coefficient of efficiency for the subsector.

Molina indicated that now the CTC intends to make changes in the production assemblies at the workplaces, especially in enterprises that form and distribute material incentive funds. These assemblies will begin to discuss financial indicators such as cost, earnings and profitability, the payment for the funds, and other related issues. Until now, the discussion centered on physical indicators.

The prize will still be distributed on an annual basis.

8926
CSO: 3248/394

AUTOMATION, COMPUTER MEETING ADDRESSED BY MIRET

Havana GRANMA in Spanish 8 Mar 86 p 2

[Article by Roberto Paneque Fonseca]

[Excerpts] The National Institute of Automated Systems and Computer Technology (INSAC) held its annual assessment meeting, chaired by Pedro Miret, member of the Politburo, and Jaime Crombet, member of the Secretariat.

Samuel Savariego Capuano, INSAC president, emphasized in the keynote address that 1985 production of merchandise amounted to 46.7 million pesos, 100 percent of the goal.

Savariego hailed the devoted efforts of the workers of the Enterprise for Producing Technical Equipment for Computers (EMCO), and the support contingent that made possible a growth rate of 53.7 percent between 1984 and 1985.

The production success of EMCO lay in the fact that it was able to produce 1,601 video terminals, which met its quota for production and exportation to the USSR. INSAC had not fulfilled its contracts with the Soviet Union previously in the 5-year period.

This accomplishment by EMCO marks the first major step in Cuba's effort to specialize in the production and exportation of video terminals within the Council for Mutual Economic Assistance (CEMA). This socialist integration agency is carrying out a program for scientific-technical progress in its member countries up to the year 2000. The program gives top priority to electronics and automation in the national economy.

INSAC is also laying the groundwork for the production of keyboards, which would be incorporated in the new CID-7205 Cuban video terminal models that will begin to come out this year.

The deficiencies noted in INSAC's work over the 5-year period were discussed at the meeting. Such problems included the delay in establishing the technical-material basis for production, which lowered the quality of the technical units produced.

Another deficiency pointed out at the meeting was the delay in introducing electronic computing techniques and applying them in the national economy. In addition, there were some objective and subjective problems which INSAC intends to eradicate as soon as possible.

In his closing remarks, Miret congratulated in particular the workers of INSAC, who represent nearly 50 percent of the active labor force in that organization.

Miret indicated that the electronics and computer industries plan to move ahead rapidly in this 5-year period, attaining the size and scope demanded by our national economy.

At the meeting, prizes were awarded to the Integral Enterprise for Systems and Computation Techniques (DATINSAC), the Enterprise for Computer Technical Services (SERVITEC), and the Politburo budget unit known as the Automatic Addressing System (SAD) for having achieved first place in their respective categories for emulation in 1985.

8926
CSO: 3248/394

BRAZILIAN ENVOY DISCUSSES COOPERATION, CENTRAL AMERICA

FL150252 Bridgetown CANA in English 1955 GMT 14 Apr 86

[Text] Roseau, Apr 14--Brazilian diplomat Berenguer de Caesar has listed agriculture as an area in which there is a possibility of technical cooperation between his country and Dominica. But De Caesar, ambassador to Dominica and the Eastern Caribbean, told a news conference here that Brazil's debt crisis could be a problem to forging closer ties with developing countries.

He told reporters the crisis had been eased by a twelve and a half billion dollar surplus in the balance of trade over the last two years, but there was still a strain on the resources of the country which would affect its ability to assist smaller developing countries.

During the ambassador's three-day official visit, the two countries signed an agreement to allow licenced amateur radio owners to operate in both countries.

Regarding the political situation in the region, the ambassador said Brazil was calling for dialogue, rather than military intervention, to solve the problems in Nicaragua and Central America.

He said: everybody should get together.... sit around the table and talk their heads off if necessary because the common good of the Nicaraguan people and of the other peoples of Central America should be much more important than the interests of any group.

De Caesar, who last week became the first Brazilian ambassador to present his credentials here, also expressed his country's support for the Contadora peace initiative through which Central American countries are seeking to have talks to avert war and military intervention in the area. He said that although it believed in democracy, Brazil was against forcing a particular type of government on any country.

We support the democratic regime in all countries, he said. We think it is the best, but we do not, cannot, and would not impose it. We think that each country has a right to decide its own course.

/12624
CSO: 3298/433

FOREIGN MINISTER DENIES FOREIGN 'MILITARY SCHOOL' ACCUSATION

PA071852 Quito Voz de los Andes in Spanish 1130 GMT 7 May 86

[Text] Foreign Minister Edgar Teran said, upon rejecting reports of territorial surrender at the Constitutional Guarantees Court, that the Ecuadoran fatherland and its territory will never be used for a foreign military school, and its sovereignty will be respected permanently.

[Begin Teran recording] I am referring to the insinuation that a military school is being built in the eastern part of the country, or that some installations are being built on the Galapagos Islands. The accuser, the insinuator, knows very well that such things cannot be done without an international agreement, and that international agreements must be known to and approved by the legislative branch, by the Congress. Therefore the accusation will not stand.

However, I must add, Mr President, that what the present government has done for Ecuadoran sovereignty over the Galapagos Islands is to declare our sovereignty over the sea, over the surface above sea level, over the marine subsurface, over the seabed. This is a statement as important as that made regarding the 200 miles [territorial limit].

Gentlemen, the opposition can refer to the government, criticize it, censure it, and act with all of the means allowed by the law and the constitution. However, the opposition must not make insinuations that hinder the country's respectability, seriousness, and name. Not on the Galapagos, nor in the eastern part of the country, or any where, gentlemen. is Ecuadoran territory used for anything that goes against its sovereignty and integrity. [end recording]

/12640
CSO: 3348/573

ECUADOR

BRIEFS

ARMED FORCES SITUATION--Carlos Feraud Blum, former National Congress president, who is now an Independent, has said he is very pleased with the frank explanations that have been given regarding the unexpected military conflict. The National Congress deputy noted that this nasty matter has had a strong impact on the Armed Forces. However, he added, the official version has calmed the country, and that is very positive. Nevertheless, Feraud Blum said, the actions of Frank Vargas Pazzos and Generals Laercio Almeida and Jorge Azanza did threaten in some ways the stability of the democratic system. What did turned the situtation critical, was the fact that the president of the republic did not honor the promise he made at Manta Air Force Base, said Carlos Feraud. [Text] [Quito Radio Quito in Spanish 2300 GMT 24 Apr 86] /12640

LOW-COST MEDICINE PROGRAM--The government will sign contracts today totalling 156 million sucres for the purchase of generic medicines for sale to the public at significantly low prices. Purchases under this so-called basic medicine program will be made with revenues from the excise taxes on beer and cigarettes. [Summary] [Quito Voz de los Andes in Spanish 1230 GMT 4 May 86 PA] /12640

CSO: 3348/573

COLUMNIST DEPLORES CONDITIONS ON PETITE MARTINIQUE

St Georges THE GRENADIAN VOICE in English 29 Mar 86 pp 8-9

[Lloyd Noel column on "Law and Politics"]

[Excerpts]

Before I deal with two of the issues from the new law however, I wish to divert to another topic that caused me great concern and ongoing pain last week Monday. I went to Carriacou on a court matter for a client, and to fully inform myself of the issues in dispute,I visited the sister isle of Petite Martinique where the problems of land ownership brought about the court matter. That was my first visit to Petite Martinique, and I would be less than honest if I do not say publicly that what I saw and heard in a part of Grenada, and from my fellow Grenadian citizens, almost choked me with depressing emotional digust.

To put it mildly, I could not at first truly believe that I was in a part of Grenada in 1986, of which our Honourable Prime Minister is the elected parliamentary representative in office. To look at the beautiful children from the local school, running about in the "track" that serves as the main road, was like watching some distant people on a desert island with very little hope of ever being discovered; to walk in the "apology for a road" from the water-front where I landed towards "Madam Pierre", in the daytime - brought shivers to my legs and head as I passed over a section where the sea wall must have been broken a long time ago, and the "road corroded so badly, that travelling along there at night time must be a most frightening experience; the one vehicle - "a dumper' - it is called on the island, is not in service now, but even if it was, helicopter wings would be needed to move from A to B beyond fifty yards.

Three small generators supply electricity for eighteen (18) hours per day, when they are working fully, but there is no street lighting and since walking is the only form of "transportation" for everyone on the island, darkness must be something else for one and all.

The population of Petite Martinique, I was told, is now one thousand citizens of Grenada. Except for the school teachers, the Marketing Board shop staff, and the maintenance chaps for the generators, there are no other forms of employment as such, and the locals fish, build their boats, or rear animals - sheep and goats only - but the place is so barren that what those animals eat to survive is beyond me.

To think of the amount of money - mostly labelled "In God we Trust" - that was spent or squandered in Grenada, mainly in St. George parish during 1985, and the amount that is still being spent on that one parish, including the estimated $300,000.00 to renovate Mount Royal as the official Prime Minister's residence, to the criminal neglect of our sisters and brothers of the forgotten Isle, is enough to make one weep when faced with the reality.

If ever a people could validly claim, that the provisions of Sections 2 to 15 of our Constitution have been, are being, and are likely to continue to be contravened in relation to them, then the people of Petite Martinique certainly can. Mr. Prime Minister and Parliamentary representative for the constituency of Carriacou and Petite Martinique, on a "dock brief" from the people of the latter part of your "Trust", I implore you sir, to spare some time from your busy schedule, and some cash from the nation's till, to alleviate the problems and depression of our Grenadian citizens in Petite Martinique. Relief is painfully long overdue in coming, and the same "God" on those wastefully squandered dollars in St.George's, and Grenada as a whole, knows beyond any doubt that it is most mercifully deserving.

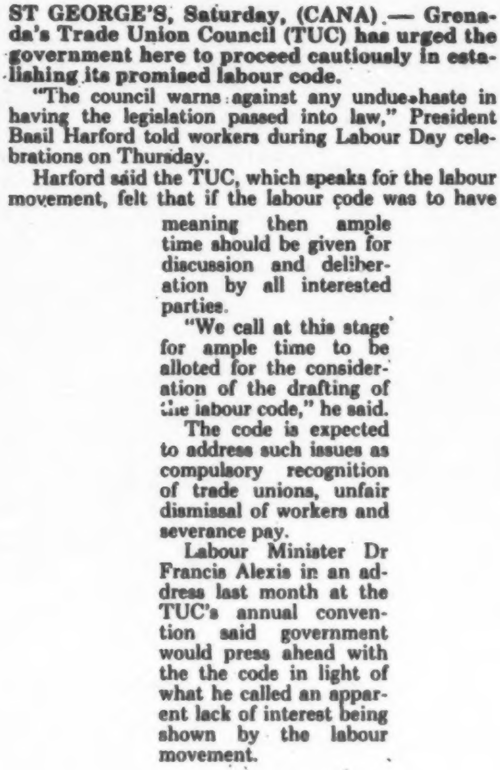
/13104
CSO: 3298/439

GRENADA

UNION COUNCIL URGES CAUTION IN ESTABLISHING LABOR CODE

Port-of-Spain SUNDAY EXPRESS in English 4 May 86 p 6

[Text]



ST GEORGE'S, Saturday, (CANA) — Grenada's Trade Union Council (TUC) has urged the government here to proceed cautiously in estalishing its promised labour code.

"The council warns against any undue haste in having the legislation passed into law," President Basil Harford told workers during Labour Day celebrations on Thursday.

Harford said the TUC, which speaks for the labour movement, felt that if the labour code was to have meaning then ample time should be given for discussion and deliberation by all interested parties.

"We call at this stage for ample time to be alloted for the consideration of the drafting of the labour code," he said.

The code is expected to address such issues as compulsory recognition of trade unions, unfair dismissal of workers and severance pay.

Labour Minister Dr Francis Alexis in an address last month at the TUC's annual convention said government would press ahead with the the code in light of what he called an apparent lack of interest being shown by the labour movement.

/13104
CSO: 3298/439

GOVERNMENT OVERTURES TO TRADES UNION CONGRESS

Call for Cooperation

Georgetown GUYANA CHRONICLE in English 13 Mar 86 p3

[Text] General President of the Guyana Bauxite Supervisors' Union (GBSU) Cde. Lennox Simon, has praised Government's efforts to involve the trade union movement in the task of building Guyana.

At the GBSU Third Biennial Delegates Conference last Friday and Saturday at the union's hall in Linden, Cde Simon said the TUC now has the opportunity to work with the Government which has indicated a willingness to involve the labour movement in the development of Guyana.

He urged the TUC to "seize this opportunity" but warned that they must not become involved at "any and every cost."

He urged that the trade union movement's first loyalty must be to the workers it represents and programmes supported by the movement must seek to bring relief to the workers.

In his address to the workers, Cde Simon also called for the setting aside of petty jealousies and personal differences and for the Guymine administration and the GBSU to work as a team to bring about increased production and productivity in the bauxite industry.

"There must be dialogue at all levels for the future success and viability of the industry," he said.

Cde Simon also touched on a wide range of industrial and national issues which he said need to be attended to by the Government to bring about an improved industrial climate in Guyana.

Hoyte Olive Branch

Port-of-Spain DAILY EXPRESS in English 3 May 86 p 15

[Text] GEORGETOWN, Friday (CANA)—Guyana's President Desmond Hoyte says the Trades Union Congress and the government should unite and "together move forward for the development of the nation."

"The government would be very happy to carry on with the TUC," Hoyte, who is president of the Guyana Labour Union, told a May Day rally yesterday.

Relations between the administration and the TUC have been strained within the last two years because opposition aligned unions had gained the ascendancy in the labour grouping for the first time in two decades.

/13104
CSO: 3298/440

GUYANA

HOYTE ADDRESSES MUSLIMS, SCORES RACIAL POLITICS

Georgetown NEW NATION in English 9 Mar 86 p 5

[Text] IT was under the PNC Government that Islam and Hinduism were elevated to their rightful places alongside other religions in Guyana, with their traditional festivals celebrated as national holidays by all Guyanese.

This point was emphasised by the Comrade Leader Desmond Hoyte in his address last Sunday to the 50th anniversary general meeting of the Guyana United Sad'r Islamic Anjuman.

The Comrade Leader drew attention to the fact that large numbers of the Guyanese population -- including Cabinet members Cde Hamilton Green (Prime Minister) and Vice President Cde. Mohammed Shahabuddeen -- are practising Muslims who continue to make valuable contributions to national life in every sphere of endeavour.

He offered public congratulations to the many Muslims honoured in the Republic Day list of national awards. He told Muslims present at the Georgetown meeting that he had no doubt they would continue to play a positive and constructive role in the ongoing battle for genuine economic and political independence and in Guyana's never-ending quest for an increasingly just and humane society.

He stressed the fact that "today no individual or organisation, no group of people appealing for political or other support on a purely racial basis can hope to attract much of a following."

/13104
CSO: 3298/440

GUYANA

OPPOSITION FORCES TAKE AIM AT GOVERNMENT'S BUDGET

Call for Civil Disobedience

Georgetown DAYCLEAN in English 8 Mar 86 p 1

[unsigned article: "Time for Civil Disobedience"]

[Text] WPA's Member of Parliament, speaking in the National Assembly on the Budget last Friday, charged the Cabinet with undermining the nation. He called it a "seditious cabinet".

Thousands of people, round the clock, are occupying the gas stations of Guyana. Miles of vehicles are parked on all the roads leading to all the gas stations, night and day. Every outlet for cooking fuel has masses of people boiling in and around it.

Production is down. Workers are arriving late or not at all, because there is little transportation. Factories are spelling workers because of the daily blackouts.

School attendance is down. The cost of the scarce transportation or lack of it is keeping children at home. Many have to join fuel lines.

There is a fight up at every car park in the land. Many have abandoned the parks and there are daily processions down the public roads - long walks.

Every day for the past week or so there have been riotous or near-riotous situations in Guyana. Where there are no explosions, there are explosions waiting to happen. All because of the PNC fuel crisis.

Grade 3 Maladministration

In just one week, the rulers planned four different sets of measures for dealing with the fuel crisis. This, the WPA parliamentarian said, is a sure sign of instability. Kwayana accused the PNC of Grade III Maladministration.

Like Grade III Malnutrition, the starvation point at which the state gives mothers the right to buy milk for the weakened children, it is already too late.

Two weeks ago, a WPA handbill on the fuel crisis was headed "Babylon in Trouble". Every move Babylon has made since is another sign of its deep, deep trouble.

For years, the PNC has been behaving as though if they don't call a crisis a crisis, then it is not a crisis. They are now calling it "a situation". Up to when the budget was put forward, it was not even that.

WPA's MP on the Budget

DAYCLEAN will carry some of the points made by WPA Member of Parliament brother Eusi Kwayana: (A full statement of all his contributions is being prepared.)

First, we wish to call attention to the accumulated deficit in the treasury account, the Consolidated Fund. It stood at 2.9 billion and was rising at an average rate of 30% per month. Years ago it used to go up and down, now it seems to be going up only. It seems to be financed by billions of short term commercial paper, treasury bills and other government securities.

Secondly, the Bank of Guyana, according to my information and what can be seen from the law as stated in the most recent Bank of Guyana Report 1981, is not managed under the rule of law. The note circulation, about $348 million recently, according to the law should be backed by something like $170m in foreign securities. This is not the case. Over the past several months, the foreign assets have been no more than $17m to $20m - well below the standard. There may be a reason why it should not be $170m or 50 percent of the money circulation - but if that is so, change the law.

No Facts, No Investigation, No Consultation

The Budget is presented in a statistical void - we do not know the facts Some facts are given which the Minister wishes to give. We have no information on production, prices, unemployment and various other data. You have to go hunting. If the price level and price movements are not known, you cannot deflate the increases in wages by the official figure in order to get the real wage.

The three main sectors of the economy are in trouble. We need an objective investigation. Things are being done by hunches. I have moved a motion for a comprehensive investigation of the sugar industry. The Guyana sugar industry developed as part of the Caribbean sugar industry and along with Europe where the main markets are. (Kwayana's motion calls for a joint study of the Caribbean sugar industry with Caricom/European Economic Community commissioners.)

A sugar factory is to be closed down. Acreages of sugar are to be dropped. The cultivation practices of the industry are very bad. I cannot accept what is said about marginal lands. Before the 1977 sugar strike, it took about

10.5 to 11 tons of cane to make one ton of sugar. Now the average figure is 14.29 and in some cases 15 tons cane to one ton sugar.

We reject the decisions to close the factories since they were not taken in consultation with the unions. Parliament was told of the decision on February 28 and the unions were informed by letter dated March 3. This is not consultation.

A Rich Time for the Rich

Let us look at the programme of "economic dynamism". We in the WPA welcome economic progress and expansion. That is not what we are questioning.

Three features of "economic dynamism" are (1) the "anarchy of capital" - capitalism stalking the land and making its way; (2) "the strong crushing the weak"; (3) the "optimism" (happiness) of those able to enrich themselves rapidly in the situation.

Thus it is that this government has turned to offshore banking. (Brother Kwayana drew the attention of the Speaker to a book "Secrets of Off-shore Tax Havens" by a Mr R Chappell who was apparently engaged by the government to do a job. The book was a chapter on Guyana as a good place for keeping money safe from taxes.) This man (Chappell) is regarded as disreputable and was actually investigated by the authorities. Hear what he says on page 85: "One high, steep, flat-topped mountain surrounded by dense jungle, which I observed, would provide an excellent area for precious metal or currency storage".

For the Masses - Darkness

Let us look at the plight of the masses. When indirect taxes begin to rise, that is the red light. It means that the living standards of the masses are in danger. The indirect taxes voted in the budget are $329m, this is $47m increase on 1985. Any taxes levied between this budget and the last budget will be regarded by us as part of this budget.

In the public sector 43.5 percent of the employees and workers have earnings below $499 per month and 65.2 percent of the workers earn between $303 and $715 per month. Only 1.9 percent earned $2,275 and above. So the whole mass of workers are not at the poverty line, but below the poverty line as calculated by the TUC. We are relying on that estimate as we know of no other.

Both the World Bank and the Inter-American Development Bank say that between 1980 and 1984 some 25,000 workers in the public sector were retrenched. IDB said that their economic data came from government sources.

From 1978 to 1986, the minimum wage went up by 52.6 percent. But indirect taxes in the same period went up by 175 percent. WPA's MP then read out this list in Parliament:

ITEM	DAY'S LABOUR AT 1978 MINIMUM WAGE OF $11	DAY'S LABOUR AT 1984 MINIMUM WAGE OF $16
Gas Stove	54 days	280 days
Sewing Machine	90 days	155 days
Fridge	73 days	270 days
Fluorescent Tube	3 days	10 days
P50 Motor Bike	40 days	400 days
Small House	909 days	6360 to 5454 days
LP Record	half day	3 days
Toilet Bowl	63 days	at least 81 days
Pit Latrine	23 days	62 days
Chicken-in-the-rough	3 hours	1 1/2 days
I lb Chicken Meat	2 hours	1 day

Time to Really Stand Up!

Now to the fuel crisis: The President came to this Assembly on February 3 and presented "Moving the Nation Forward". There was no hint of an impending crisis.

A day after the regulations for the sale of fuel were introduced, the Hon Minister presented his Budget. He showed a remarkable detachment from what was going on. Both H.E. and the Minister told us about future petroleum exploitation - when there is a lack of it here and now.

They must have known the crisis was coming. It could not arise overnight.

This government has bungled the negotiations with Trinidad & Tobago.

I want to express our appreciation to Trinidad and Tobago. The making of the oil facility available was an act of great fraternity and we have shown no appreciation. No serious attempt has been made to pay Trinidad & Tobago.

To agree that this is the most competent team to run Guyana - is to malign Guyana.

The cabinet is a seditious cabinet undermining the way of life of the sovereign people.

They must not be surprised if the people respond with acts of civil disobedience to correct the situation.

PPP Criticism

Georgetown MIRROR in English 9 Mar 86 pp 1, 4

[Text] The People's Progressive Party is opposing the 1986 Budget as presented to Parliament by Finance Minister Carl Greenidge on February 28,

1986. Opening the general debate in the House was PPP Assemblyman Clinton Collymore who presented a sharply critical overview of the Budget, the economy, and prospects for the future under the incompetent PNC. Prime Minister Green had just finished making a gloomy statement about the acute fuel crisis.

Mr. Collymore in his opening remarks referred to Forbes Burnham in 1982 who had said "There is a light at the end of the tunnel" while in 1986 Greenidge in the Budget now says that "Our economic cloud has a silver lining". He declared that the "light" Mr. Burnham had seen has receded into infinity and that today there is no silver lining any where! He predicted an accelerated economic downturn if government goes ahead with the Budget proposals.

Said the PPP spokesman: "This is a Coalpot Budget in an age of high technology and at a time of loftier aspirations by the Guyanese people."

He referred to the "same old worn out cliches and parameters" and noted the same warped structure of the Budget which caused previous PNC Budgets to be rejected by the PPP:

Increased taxation, retrenchment and redundancy, wage restraint, soaring cost of living, chronic indebtedness, cuts in social spending, economic strictures, bloated security bureaucracy, sloganeering and wailing crocodile tears about "adverse terms of trade" yet doing nothing about it while the people suffer.

Warp in Budget

In dealing with the warp in the Budget, he quoted statistics. Debt payments for 1986 are earmarked at $451.9 m or 23.7 per cent of the total expenditures; Security (GDF, GNS, GPM, Police) $250.6 m or 13.1 per cent; Agriculture $158.5 m or 8.3 per cent. "Upon which sector are we depending for the economic turn-around?" he demanded of the government frontbench Ministers. "On debt payments? on security? or on agriculture? If it is on agriculture as all government Ministers have been saying then why is agriculture bringing third place?"

He mentioned that in 1985 the warp was dramatic. Debts got $435.7 m (29 per cent); Security got $274.5 m (18.3 per cent) and Agriculture $99.9 m (6.6 per cent). Three times as much money was spent on debt charges as was spent drudgingly on agriculture. Industry in the meantime had disappeared from the Budget horizon. "Your priorities are all wrong" he told the PNC Ministers who sat meekly listening. "For 21 years therefore, Progress Never Came!"

An analysis of the estimates revealed the more shocking facts tht while the government had estimated $380.5 m to pay debts in 1985, an extra $55.2 m were found to pay debts. While the government had estimated $190.8 m to pay for the security bureaucracy, it found $83.7 m more to shovel into that gaping security maw. However while it had estimated agriculture at $182.1 m it chopped that sum by $82.22 m! The inference is that it deprived the nation's farmers of $82 m in order to hand that sum over to the military and paramilitary. Said Mr. Collymore: "Without a greater emphasis on agriculture, the debt problems will be not be solved and the economy crisis will get worse."

Housing Ignored

The PPP member also referred to cinderella sectors like housing and co-ops which are still being treated with contempt by government. He expressed satisfaction over the decision to re-import wheat, and called for the importation of split peas. He further called for the diversification of Guyana's fuel shopping list and mentioned competitive alternative markets like Venezuela and the Soviet Union, since Trinidad is no longer in a mood to give Guyana credit. "Since we have to pay cash, then let us buy where we want, in the best market" he said.

On the issue of conumer imports he criticised government's scrooge-like policies, blaming such policies for the expanding and buoyant parallel market. Noting that the "squeeze is on" and that "credits are drying up" he indicated that government is making "new prostrations before the Alter of the IMF and the Almighty Dollar". He warned against the sell out of national interest to imperialism, even as he noted plans in the Budget to sell out national assets. Turning to the mammoth queues of vehicles, farmers and workers, administrators, consumers etc for fuel, he deemed the queues as a colossal waste of time, better spent on production. He mentioned too that irregular and protracted blackouts are compoundng the problems and drew attention to the House to a Memorandum of the GEC dated Feb. 26, 1986. This memo imposed "conservation" as from March 3 to December 31, 1986 in the form of geoprahic blackouts at the rate of "6-hour periods of load-shedding for a maximum of 6 days each week . . ." When this factor is computed, it means that out of 7,392 hours left in the year, 1,584 hours or 21.4% would be period of no electric power to industry, commerce, etc. He denounced this GEC plan as "nonsense" and harmful to the national economy, and called for it to be scrapped.

International Shylocks

In a comment on the difficulties faced by government in attracting finance capital, he said that in 1985 government confidently expected capital flows of $1,069.3 m, but only managed to get $414.9 m! There was a shortfall of $645.4 m or 60% which is disastrous by any yardstick. Capital inflows which were estimated at $458.1 m from overseas merely trickled in at $129.9 m, only 28.3% of what was expected, a shortfall by nearly 75%. This is why plans are in the air to woo the IMF, the World Bank and US imperialism. These international Shylocks however will demand their pound of flesh. The same wishful thinking pervades the 1986 capital flows projections.

Making observations of the negativism in the Budget, Mr. Collymore noted following:

Scrapping the productive Ministries; poor funding of some others vital to the people; closure of productive state enterprises including two sugar estates;

accelerating unemployment; zero growth in 1985; borrowing short term to finance medium and long term investments, wages and salaries, and consumption needs; and a big scramble for foreign currency to the point of taxing barrels which are actually alms.

He urged the government to pay 10 per cent of the debt charges to overseas creditors, renegotiate the internal portion, build up the tourist industry so as to attract foreigners with currency, put more money into the agricultural and co-op sectors, restore the industrialisation drive, cut down on the soaring security costs, and to stop hammering the local businessmen.

Oserving that the Budget is wrongly structured, with bad priorities, is anti-popular and counter-productive, he remarked "We on this side of the House cannot support the Coalpot Budget."

/13104
CSO: 3298/440

PAPERS REPORT PROTEST MARCH; RIOT SQUAD CALLED OUT

PPP, WPA Role

Georgetown GUYANA CHRONICLE in English 13 Mar 86 p 1

[Text] A GROUP of persons numbering about 35, and led by Reepu Daman Persaud and Janet Jagan of the People's Progressive Party (PPP) and Eusi Kwayana of the Working People's Alliance (WPA) staged an illegal procession in the city yesterday, between 11:15 hrs and 11:45 hrs.

They moved from Regent and Wellington streets, carrying placards exhorting consumers assembled to purchase fuel to join them in what they described as a "protest march."

They got very little response as they moved west along Regent Street then into Avenue of the Republic, where they dispersed in front of the Bank of Guyana Building, after they were warned by the Police that they were committing a breach of the law by holding an illegal procession.

Coalition for Democracy Role

Georgetown CATHOLIC STANDARD in English 16 Mar 86 p 1

[Text] THE PATRIOTIC Coalition for Democracy (PCD), in a first act of civil disobedience, last Wed. led a protest march about the fuel crisis through Georgetown.

About 80 persons took part.

No police permission had been applied for, and as they marched, demonstrators shouted "They have no plan! All dey do is ban! Dem is no government!"

Placards carried slogans which read "Light up the light - with what?"

The protest started off at the Guyoil filling station on Regent St., and wended its way around Stabroek Market to Guyana Stores.

Outside the Bank of Guyana the protesters formed a line, holding placards aloft and singing "Give me oil in my stove, keep it burning."

By that time two buses with heavily armed members of the riot squad in full battle dress as well as other vehicles with police had arrived in the vicinity of the Bank.

The demonstration was, however, over and the marchers left peacefully.

Hundreds of leaflets were handed out along the way, placing the responsibility for the crisis on Government's shoulders.

"They have the power. They collect the taxes. They have all the assets of the nation. They must solve the crisis", the leaflets read.

The PCD is calling a Day of Rest for Thurs. March 20, as another protest at Government's handling of the crisis.

Government, they say, has no plan.

President Hoyte, in a recent interview with CANA's head, Harry Mayers, could give no indication of when the crisis would end.

Asked how he planned to resolve the fuel shortage and what assurances he could give to motorists that adequate supplies of petrol would be made available, the President replied: "I wish I can give you an answer to that. I don't have any crystal ball with me..."

Prime Minister Green's statement to Parliament also gave little indication of what the Government was doing to resolve the crisis.

Meanwhile, members of the public have had to endure being given no information or conflicting information about when or whether at all gas stations would have gasolene, kerosene or cooking gas.

Persons were left in the lines all day, and even all night as well and next day again, without being told what the position was.

Guyanese are therefore engaged in long exercises of hope, remaining in the queues all day long and all evening, in case...

With the large number of taxis immobilised in the gas queues for hours and days at a stretch, workers are finding it extremely difficult to get to their work places.

The national media are encouraging them to walk.

/13104
CSO: 3298/440

GUYANA

CORBIN CALLS FOR DISCIPLINE AT PNC REGIONAL RALLY

Georgetown SUNDAY CHRONICLE in English 16 Mar 86 pp 1, 4

[Text] EAST DEMERARA, (GIS/ GNA) — Deputy Prime Minister, Agriculture, *Robert Corbin* yesterday told delegates at the 4th annual Region 4 conference of the People's National Congress (PNC) that they need to be disciplined, dedicated and committed if they are to contribute to Guyana's development.

Cde *Corbin* made this remark while declaring open the regional conference at the Melanie Damishana Shopping Complex.

The conference which ends today will hear the feature address by Prime Minister *Hamilton Green* at 10:00 hrs.

Calling on the conference to dwell on the theme 'The Party is not merely an election machine,' Cde *Corbin* noted that the Party is also responsible for implementing its programme aimed at the nation's development.

He told delegates that if the future is to be made secure 'we would need to pursue a practical policy of self-reliance, genuine independence and equitable distribution of the goods and services produced in our society.'

He urged delegates to be leaders in their community, giving guidance so that persons could understand and appreciate government's development programmes and would unleash their energies in support of it.

Cde *Corbin* expressed the hope that the conference would provide a dynamic programme of action for the region.

The regional committee's report was read by the Secretary *Randolph Gordon*, and later discussed by delegates.

/13104
CSO: 3298/440

GUYANA

DEFENSE FORCE, MARINE POLICE TO MOUNT JOINT PATROLS

Georgetown SUNDAY CHRONICLE in English 16 Mar 86 p 1

[Text] THE Guyana Defence Force (GDF) Maritime Corps will work in close conjunction with the Marine Police and the Harbour Master's Department in an effort to eradicate the problem presently affecting maritime traffic in the Demerara Harbour area.

A GDF release explained that there have been recent reports of the illegal boarding of vessels by raiders in the harbour area and further out in Guyana's territorial waters, and the removal of cargo and equipment from these vessels.

In addition, acts of vandalism have been committed on navigational aids in the area, several important parts having been removed from navigational equipment, the GDF said.

Maritime authorities have announced that regular joint patrols by the GDF Maritime Corps, the Harbour Master's Department and the Marine Police have begun. The patrols are using a special armed fast patrol craft, particularly suited to this type of maritime activity.

‘The GDF Maritime Corps is also maintaining a daily "24-hour" quick response stand-by capability to support the joint patrols.

The authorities are confident that these and other planned measures will effectively deal with this emerging situation, the release said.

Shipowners and crews are however being reminded that at all times it is their responsibility to maintain watches aboard their vessels. (GNA)

/13104
CSO: 3298/440

GUYANA

ROLE OF MEDIA DEBATED; BARS ON CATHOLIC STANDARD EASED

Discussion in Parliament

Georgetown GUYANA CHRONICLE in English 12 Mar 86 p 4

[Text] Information and the Public Service Minister Yvonne Harewood-Benn Monday set out the role of the national media as she responded to a call by WPA Member of Parliament Eusi Kwayana for a more "liberal" press.

Commenting on Government policy on information, during consideration of expenditure for the Information Ministry in Parliament Monday, Mr. Kwayana levelled strong criticism at the national press and radio.

He contended the media were not carrying a plurality of views.

Information Minister Hareweood-Benn however restated the objective of the media to inform, educate, and entertain. A primary and valid objective of the media, she added, is to "harness the involvement of people so they can support our development efforts."

She also spoke of the necessity for the media to work to counter negative propaganda campaigns to which the country is subjected.

As regards the WPA member's statement about the lack of a plurality of views in the press, the Minister stressed: "We have no problem with carrying opposition views in the media."

And she insisted that there is freedom of the press, with Opposition newspapers being published every week. These papers were even able to publish while the national newspaper could not appear because of the newsprint shortage, she noted.

The minister said the Information Ministry would continue to do its job of informing, educating and entertaining, and harnessing co-operation and support for the nation's development programme.

Newsprint for STANDARD

Kingston THE DAILY GLEANER in English 23 Apr 86 p 20

[Text] GEORGETOWN, Guyana(CANA):

The Catholic Standard, a staunch critic of the Government, has been given permission by the Ministry of Trade to accept foreign gifts of newsprint, the Ministry announced.

The weekly organ of the Roman Catholic Church has been starved of newsprint for several years because of Goverment import restrictions related to a shortage offoreign exchange.

The Standard has been reduced from a tabloid size newspaper to a four-page news sheet.

Offers of gifts of newsprint by organisations such as the Caribbean Publiching and Boradcasters Association — were frustrated when the Government insisted that it too should benefit.

But under new liberation policies of President Desmond Hyote, some import restrictions have been lifted.

The President personally intervened a week ago, in a so-called "gift-barrels from abroad" issue, in which citizens claimed that they were being wronged by customs officials.

Mr. Hoyte unexpectedly visited the waterfront and gave on-the-spot instructions on how consignees should be dealt with when they go to receive their gift barrels.

In a recent broadcast, Mr. Hoyte said that "if anybody has resources outside to bring in a press, he is free to do so."

The Marxist opposition People's Progressive Party, printers and publishers of the *Mirror* newspaper, has recently been granted licences to import a new press from the United States.

/13104
CSO: 3298/440

BRIEFS

HOYTE'S 'OPEN DOOR'—Members of the public will be allowed audience with President Desmond Hoyte today, form 09:30 hrs. (9:30 a.m.) to 17:30 hrs. (5:30 p.m.) at Congress Place, Sophia. No appointments will have to be made to see the President. He meets the public today in his capacity as Leader of the People's National Congress. [Text] [Georgetown GUYANA CHRONICLE in English 14 Mar 86 p 1] /13104

PDM RALLY RESTRICTIONS—The Police have refused permission for the People's Democratic Movement (PDM) to hold a public meeting today at 16:30 hrs (4:30 p.m.) at Regent and Wellington Streets. The refusal is based on the fact that this area, at the time requested by the PDM, is likely to be too congested and therefore inconvenient for such an exercise. The CHRONICLE understands, however, that the Police are prepared to grant permission to the PDM to hold a public meeting if the venue chosen is appropriate, and a proper notification is given in time to allow the authorities the opportunity for the proper scrutiny of the application. [Text] [Georgetown GUYANA CHRONICLE in English 14 Mar 86 pp 1, 5] /13104

PROBE OF POLICE—Government has set up a Committee to look into the operations of the Police Force. The Committee has been named the "Police Service Review Committee" and has been set up to review procedures for the recruitment, training, and promotion and conditions of service of members of the Force. Members of the Committee are Victor Crane, former Chancellor of the Judiciary; Albert Creavalle, retired Assistant Commissioner of Police; and Rabindranath Sivanand, deputy Permanent Secretary Public Service Ministry. It is well known that policemen have a lot of grievances. They also have concrete suggestions to make on how the Force could be better administered. According to a gazetted notice, the Committee is expected to make a full report to President Hoyte within 6 months, with recommendations to effect improvements, and to remove anomalies and disadvantages. The matters to be referred to the Committee have been itemised as follows: 1) Recruitment and promotion procedures. 2) Arrangements for training and personnel development. 3) Principles of renumeration and conditions of service generally. 4) Other connected matters. [Text] [Georgetown MIRROR in English 9 Mar 86 p 4] /13104

NEW HOYTE AIDE--Former New Nation Editor and later, Deputy Chief Political Adviser to the President, Kester Alves, has been appointed head of the political and press division within the Office of the President. Until recently, he was pursuing studies overseas. Cde Alves came up in the ranks of the Young Socialist Movement and his contributions to the development of youth politics cannot be overemphasised. He has been a member of the Central Executive Committee of the Peoples National Congress and more recently, he has been a Research Associate in the Department of Politics at the New York University where he was completing studies for his doctorate. He specialises in Third World political development and his analyses of issues pertaining to issues in this area have been documented and published in various media. As a journalist, Cde Alves held senior editorial positions in the national press prior to his appointment as Editior of the official organ of the Party. He once led a delegation of journalists to the Soviet Union. [Text] [Georgetown NEW NATION in English 9 Mar 86 p 1] /13104

CHURCH COUNCIL ELECTIONS--Anglican Bishop Randolph George was voted in as Chairman of the Guyana Council of Churches (GCC) for 1986-7 at its Annual General Meeting last Tuesday. Rev. Oscar Wharton (Congregationalist) was the other nominee for the post. Rev. George Richard (Moravian), outgoing Chairman, was elected 1st Vice-chairman, the other nominee being Rev. Ralph Adams (Ethiopian Orthodox). Rev. Oswald Best (Presbytery of Guyana), 2nd Vice-chairman and Rev. R. Bhagwandin (Guyana Presbyterian), Recording Secretary and Mr. Herbert Blackman (Anglican), were returned unopposed. Mr. Mike McCormack is GCC's Executive Secretary. Much support and commendation was given the remedial education programme run under GCC sponsorship by Mrs. Olga Bone and the drug distribution programme. [Text] [Georgetown CATHOLIC STANDARD in English 16 Mar 86 p 3] /13104

CSO: 3298/440

NICARAGUAN REFUGEES CREATE PROBLEMS

Arriving From La Mosquitia

Tegucigalpa LA TRIBUNA in Spanish 11 Feb 86 p 40

[Text] About 1,100 refugees have entered the country over the last few days from Nicaragua's La Mosquitia region, reported the coordinator of the National Refugee Commission, Col Abraham Garcia Turcios.

Some 600 displaced persons entered through La Mosquitia, while about 500 others who were waiting along the border returned to the refugee camps from which they had come, Garcia Turcios clarified.

According to the latest counts, there are currently 40,000 refugees on Honduran soil, "although this figure is not exact because there are many others who are not under the protection of the UNHCR [UN High Commissioner for Refugees]," the coordinator noted.

Garcia Turcios recently visited some of the refugee camps, which he said now have appreciably better hygiene, security and health conditions.

Turcios Pessimistic

Tegucigalpa LA TRIBUNA in Spanish 15 Mar 86 p 3

[Text] The coordinator of the National Refugee Commission, retired Col Abraham Garcia Turcios, said that Honduras would have to learn to live with more than 40,000 refugees from neighboring countries.

Garcia Turcios said that to be frank "no country is interested in sharing Honduras' refugee burden, so we have to get used to the idea of living with them and accepting them like the good Christians that we are."

The coordinator stated that several attempts have been made to enable these refugees to return to their native countries, such as bilateral talks with the governments that have refugees here. The fact is, though, that no neighboring government is interested in seeing its refugees come home.

The coordinator reiterated that the attempt at repatriation has failed, but not because Honduras has not been willing. In the specific case of El Salvador, the government there has not shown the necessary interest in arranging for a voluntary repatriation.

As for the UNHCR budget for this year, Garcia Turcios said that it totaled $14 million. However, in the event of an emergency that the budget could not cover, the agency has enough flexibility to request the needed funding from the central office in Geneva.

In conclusion, he said that he sees no prompt solution to the problem of the refugees living in Honduras unless coercive measures are taken so that these people can return to their countries.

8743
CSO: 3248/393

BUSINESS SECTOR PONDERS NICARAGUAN DEBT

San Pedro Sula TIEMPO in Spanish 19 Feb 86 p 15

[Text] Tegucigalpa--At the close of a meeting yesterday with Economy Minister Dr Reginaldo Panting, businessmen said that trade would continue with Nicaragua only if some realistic mechanism could be found to force the Nicaraguans to pay their debts.

Delegates of the various organizations that belong to the Honduran Council for Private Enterprise (COHEP) met with the minister to seek out common ground in dealing with the crisis in trade between the two countries.

When the meeting closed, the COHEP president, Jorge Gomez Andino, explained that "we are trying to establish a mechanism for negotiations (with the Nicaraguans), but they owe $45 million."

He let it be known that a delegation of the Honduran Government and business sector would suggest to the Nicaraguans that they first market their products here and then authorize Honduran exports to their country.

Gomez Andino explained that "a mechanism had been established" beforehand, "but in the end there were problems, because after we shipped the merchandise, the Nicaraguans said that they had no dollars to pay us."

Gomez Andino quoted Vice President Sergio Ramirez as saying during his visit to Tegucigalpa for President Jose Azcona's inauguration that "they were in a tough situation because they spend half of their output on defense."

In conclusion, the Honduran business leader said that the Nicaraguans "are not creditworthy" and he recalled that Mexico, "which is a friend" to Nicaragua, suspended shipments of oil because it was not getting paid.

He indicated that if a decision is made to continue negotiations with the Nicaraguans, a commission consisting of the economy minister and private sector delegates would travel there in April.

In his judgment, "we have to establish a realistic mechanism, because they have always broken their promises," and he underscored that the Nicaraguans are interested in many Honduran products, including soap.

8743
CSO: 3248/393

POLITICAL CAMPAIGNING SEEN AS DETRIMENTAL TO GOVERNMENT

Tegucigalpa LA TRIBUNA in Spanish 4 Mar 86 p 5

[Editorial: "Not Paying Attention"]

[Text] One of the most vehement protests candidate Azcona made during the last campaign was that the government party then was taking advantage of being in power to promote candidates and insure the continuation of the party in government.

Candidate Azcona was outraged when he denounced this to the various media. Candidates for popularly elected posts cannot be promoted by those in office who have the privileges, sinecures, and resources that power gives. He was right.

The Constitution of the Republic requires that certain public officials who want to participate in politics to attain an elected position resign 6 months before the elections are held. The reason behind these constitutional provisions is to keep the candidates from using the mechanisms of power for their aspirations--that is, to avoid taking advantage by attaining power from power.

However, in a constitutional and democratic government, the public administration cannot be divorced from politics. Many government actions naturally have political nuances. By building projects, bridges, highways, schools, health centers, etc., the government is clearly sending a political message. Each achievement of the government gives it prestige and benefits it politically. Those in government are involved in politics in their natural function of governing. However, here is the difference. It is one thing to be involved in politics and another to be involved in partisan politics.

Partisan politics is aimed at proselytizing for a certain group. Seeking a public position and actively working to achieve that aspiration for a certain person are partisan politics.

How can a government carry out its duties of administering the country if, at the beginning of its constitutional term, the president's closest collaborators are in the midst of a political campaign? They are not concerned with national policy, but with partisan and group politics.

Can administrative activities continue outside this partisan activity which has already started in this government? Who knows? In general, those who run for office want to put their workers in public administration. They want the administrative system to be faithful to their aspirations. They want each worker within the government to define himself politically based on their aspirations. The governing group cannot have one eye on the public administration while keeping the other eye on its partisan aspirations. This was the harshest accusation they made against the last government party.

Can the president ignore all these activities that his close collaborators carry out? Who knows? The mere fact of being president does not mean giving up leadership in the political group. The unity in his work team depends on that leadership. Losing control of his group can mean anarchy in his administration. When ministers, public officials, deputies, etc., depend on candidates and not the president, the result can be complete anarchy in the government. In that case, things are not done based on a general policy but based on partisan politics and the political interest of a certain group. If there are several political groups within the government, some pushing and others pulling, the situation is even worse.

The president cannot remain indifferent to all this, watch his closest cadres fall apart, and ignore it. The president is not one more technician in the government. He is not just any administrator. A president is a political leader who always depends on that leadership to exercise control over the public administration and hold the reins of the state.

When the buck is passed to the nationalist counterpart of the PUN, he is going to find that half the political support is gone and it is very late for exercising any type of control over his group.

7717
CSO: 3248/392

HONDURAS

BRIEFS

FLORES JOINS BANADESA--President Jose Azcona's government appointed Raul Flores Gomez vice president of BANADESA [National Agricultural Development Bank]. In addition to having experience in public administration, Flores has been an adviser to organizations involved in small business development in the country. Flores Gomez (49) was sworn in as vice president last Monday. He has a master's degree in business administration and has worked with private and state banking, the BCIE [Central American Bank of Economic Integration], and the AID [Agency for International Development]. He also has a great deal of experience in agricultural-livestock projects and in agricultural-livestock exports. [Text] [Tegucigalpa LA TRIBUNA in Spanish 27 Feb 86 p 2] 7717

CSO: 3248/392

MICOIN ISSUES REGULATION FOR LAW ON CONSUMER REGISTRY

Managua BARRICADA in Spanish 5 Apr 86 p 5B

[Text] The minister of domestic trade, by virtue of the powers granted by Article 2 of Decree No. 150 of 21 January 1986, the Law creating the Consumer Registry,

Resolves

The following:

Regulation for the Law creating the Consumer Registry.

Article 1. The Consumer Registry created by Executive Decree No. 150 of 21January 1986 is the administrative office responsible for collecting, processing, and updating information on the consumers in each region or special zone in the country to guarantee proper distribution of the basic consumer goods as stipulated by MICOIN [Ministry of Domestic Trade].

Article 2. The Consumer Registry will be organically and structurally under MICOIN and under the immediate direction of an official appointed for this purpose by MICOIN.

Article 3. The Consumer Registry will have the following operational structure:

a) Directorate of Norms and Consumer Registry at the central level.

b) Department of Norms and Consumer Registry at the regional level.

c) ORC [Office of Consumer Registry] at the territorial level to service a maximum of 40,000 consumers each.

Article 4. The Directorate of Norms and Consumer Registry will design the necessary mechanisms, instructions, norms, procedures, and measures for the correct functioning of the system.

Article 5. Following precise instructions from the Directorate of Norms and Consumer Registry, the ORC's will issue Consumer Cards which will contain the name and address of the members of each family and any other data that the directorate considers advisable and give it to each head of a family nucleus at the sites and times established for this purpose.

Article 6. The Departments of Norms and Consumer Registry in the regions, through their ORC's, will designate the retail center that will serve a certain number of Consumer Cards based on the population.

Article 7. The retail center will give the card carrier the designated products in accord with the number of persons listed on the Consumer Card and the quantities assigned, noting the quantity delivered on the card in the spaces provided for that purpose.

Article 8. Presentation of a Consumer Card will be an indispensable requirement for service at the corresponding retail center.

Article 9. The Consumer Card is untransferable and will only be valid for the retail center to which it is assigned.

Article 10. In cases of transfer from one territory to another, the ORC's will require a document of exclusion for the person requesting inclusion issued by the ORC in the territory from which the person is transferring.

a) Being understood as "inclusion" the subsequent listing or registration of any member of the family nucleus or his admission for any of the reasons indicated in this regulation.

b) Being understood as "exclusion" the departure of any member of the family nucleus for any of the reasons indicated in this regulation.

Article 11. The head of the family nucleus will have the following obligations:

a) To give the Consumer Registry the registration data for himself and all the members of his family nucleus.

b) To present the Consumer Card when the ORC or the MICOIN inspectors request it.

c) To guarantee the good use and proper care of the Consumer Card.

d) To immediately report inclusions and exclusions in the family nucleus.

Article 12. Being understood as reasons for inclusion in the family nucleus:

a) Birth.

b) Return to the family nucleus of a member who has been absent due to: absence from the country; hospitalization or imprisonment for more than 6 months; transfer from one ORC territory to another.

c) Transfer of the entire family nucleus from one ORC territory to another.

d) Entrance of an entire family nucleus into the country from abroad.

e) Creation of a new family nucleus.

Causes of exclusion are:

a) Death.

b) Departure from the country, hospitalization or imprisonment for a period of more than 6 months.

c) Change of residence.

Article 13. The following are considered violations of the law and this regulation:

a) Having a member of the family nucleus listed on two or more Consumer Cards at the same time without having reported his exclusion.

b) Supplying false data to the officials of the Consumer Registry.

c) Making alterations of any type on the assigned cards.

d) Destroying or losing the Consumer Card more than twice without justified cause.

Article 14. Violation of Article 11, clauses a, b, and c, and Article 13, clauses a and d, of the present regulation will be subject to the following administrative sanctions, applicable progressively:

a) Verbal or written warning.

b) A fine of at least one hundred cordobas (100 C.) but not more than one thousand cordobas (1,000 C.).

Article 15. Violation of Article 13, clauses b and c, will be punished according to existing criminal laws.

Article 16. The present regulation will go into effect upon publication by any mass medium without effect on its subsequent publication in LA GACETA, the official newspaper.

Issued in the city of Managua on 21 March 1986. "To 25 years of all arms against aggression."

[Signed] Comandante Ramon Cabrales Arauz, minister of domestic trade

7717
CSO: 3248/358

UNAUTHORIZED CATTLE TRANSPORT, SALE TO BE PUNISHED

Managua BARRICADA in Spanish 4 Apr 86 p 3B

[Fragment reprinted from LA GACETA of 1 Feb 86]

[Text] Article 10. Unauthorized transportation, distribution, and sale of butchered products.

Those who transport butchered products without authorization and those who distribute or retail those products will be punished with fines of up to triple the value of those products in cordobas. The owners of the respective enterprise will be charged this fine. The products found in the transporting vehicle or in the place of sale or distribution will be subject to confiscation.

Article 11. Penalties for recidivism. In case of recidivism with regard to clause b of Article 8 and Article 10 of the present law, the indicated fine in each case will double and the violator will be sentenced to incommutable imprisonment for three (3) months for the first offense, six (6) months for the second, and ten (10) months for the third or subsequent offenses. Recidivism by cattle marketing establishments can also be punished by the temporary or final closing of the establishment.

Article 12. Allocation of fines and confiscated goods. The funds received from fines of export slaughterhouses will go into a fund to reward the quality of cattle delivered according to the purchase price lists. The other fines will go to the corresponding Municipal Treasury. The confiscated goods will be distributed among the hospitals in the region. However, if live cattle are confiscated, these will be temporarily kept on a state farm until the administrative procedure has been decided.

Article 13. Control over transportation of cattle. Any interdepartmental transportation of cattle will require authorization from the Sandinist Police which will indicate the route and the destination on the bottom of the corresponding permit or license. Transportation without such authorization will be punished by confiscation of the cattle transported.

As indicated in the regulation of this law, the municipal governments will periodically send the Executing Authority a report on all interdepartmental transportation of cattle.

7717
CSO: 3248/358

PERU

COTTON EXPORT PRICES UP; POSSIBLE SOVIET PURCHASES

Lima EL COMERCIO in Spanish 28 Mar 86 p D-4

[Text] Cotton producers are getting a good price 2 weeks after a legal provision was passed reducing payment for cotton exports by almost $3 per quintal.

The general manager of the Committee of Cotton Producers, Eng Raul Chau Ayllon, told EL COMERCIO this.

Chau revealed that prices have risen considerably in recent weeks, reaching $61 per quintal of cotton, $7 more than before the government provision was passed.

He said that the cotton industry has practically seen the end of the current shortage since it has the option of buying cotton from the producers. With this good incentive, the producers have decided to sell their products to them instead of allocating them for export as planned.

Eng Raul Chau said that since production was good, the industrialists have also decided to increase their production, using up to three shifts to meet the heavy demand.

In April

Chau revealed that the main harvest of Tanguis cotton will begin in April. He indicated that although production is good, it will not be better than last year.

He said that cotton will not be imported since the current harvest will produce enough to supply the national market.

Chau added that although the farmers are enthusiastic about the recent price increase for cotton, everything seems to indicate that projections for next year are a little uncertain because other crops like corn, rice, wheat, and sorghum "have better prices than cotton. This seems to indicate that the farmers will decide to change crops unless there are better incentives."

Soviet Interest

Lastly, Eng Raul Chau stated that the Soviet Government is still very interested in acquiring Peruvian cotton. He indicated that talks between the two governments continue and agreements could be signed at any time.

7717
CSO: 3348/499

TRADE AGREEMENT SIGNED WITH SOUTH KOREA

Agreement Signed

Lima EL COMERCIO in Spanish 1 Apr 86 p A-4

[Excerpt] The South Korean Government will give Peru patrol cars, tractors, sewing and knitting machines, and industrial ranges. It will also install a small tractor factory in our country. In addition, it has promised to buy coal, zinc, and iron from us.

This is the result of an official visit that the Senate president, Luis Alberto Sanchez, made to that country. He reported these accomplishments shortly after returning to Lima early yesterday morning.

Sanchez called this increased trade with that Asian country vital because other markets for our exports have closed. Also there is a difficult international economic and financial situation now.

He said that a sales agreement for 40,000 tons of coal was signed by the Seoul Government. The projection is to export a total of 300,000 per year during the next 5 years.

A sample of about 200 kilos has been sent to verify the quality and make-up of national coal.

South Korea will buy between 20,000 and 30,000 tons of zinc from us per year.

Playing down a political meaning to his negotiations, Sanchez reported the following donations from South Korea: 100 small tractors, 100 sewing machines, 40 industrial ranges, and 100 knitting machines.

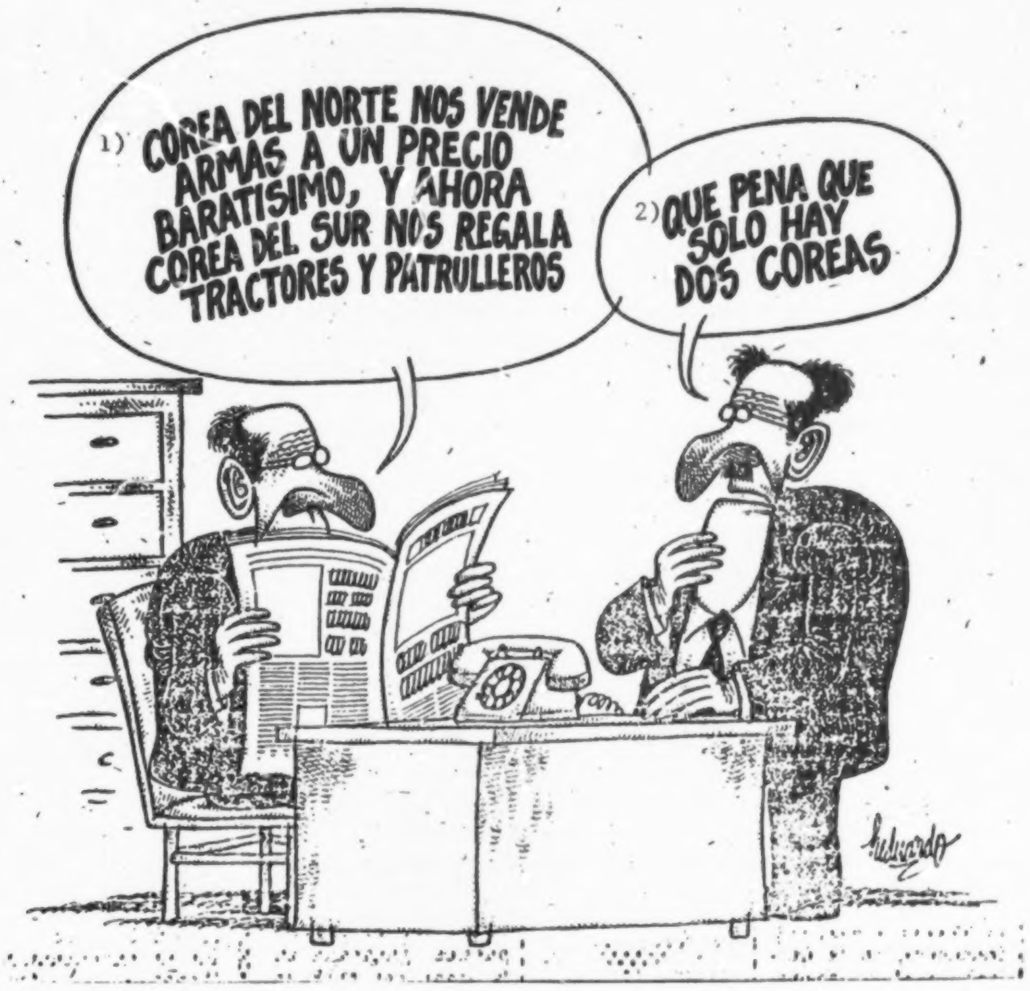
He pointed out the donation of 50 patrol cars for the Civil Guard which he said is timely, given the special situation the country is going through.

Arrangements began with the South Korean Government to install a small tractor factory in Peru. He explained that this machinery is appropriate for regions like our mountains.

With this new trade, Peru will acquire South Korean technology in textiles and shipyards.

Korean Aid

Lima EL NACIONAL in Spanish 2 Apr 86 p 4


1) COREA DEL NORTE NOS VENDE ARMAS A UN PRECIO BARATISIMO, Y AHORA COREA DEL SUR NOS REGALA TRACTORES Y PATRULLEROS
2) QUE PENA QUE SOLO HAY DOS COREAS

Key: 1. North Korea sells us arms at a very low price and now South Korea gives us tractors and patrol cars.

2. Too bad there are only two Koreas.

7717
CSO: 3348/499

PERU

INDIAN COMMUNITY ESTABLISHED IN OXAPAMPA PROVINCE

Lima EL COMERCIO in Spanish 22 Mar 86 p A-16

[Article by Guillermo Rodriguez Caldas]

[Text] Puerto Bermudez, 21 Mar--Almost 2,500 Amueshas have stopped their nomadic ways and settled in a reserved area of 39,500 hectares in the Palcazu Valley. There is active work in this Indian community to train its own members, especially in the Iscozacin sector. These activities range from the river medical service and deeding of land to raising tropical sheep.

What is unusual about the program is that the Indians themselves are agents of transformation and change within their Amuesha communities.

River Medical Service

The health promoters play a special role. They not only take care of the people but also work on economic and community organization and development.

The Palcazu Valley (Oxapampa Province) has the best river medical service. The program has a modern ship (Over Craft), donated by the British Government, which travels on a cushion of air. The medical personnel is led by Dr Luis Tam Jui who, in addition to visiting the communities, teaches training courses to the Indians.

He indicated: "We want to improve the health system. We will try to provide modern equipment that is easy to operate and maintain."

The program also evaluated the possibilities of introducing sheep into the zone. Sheep acclimated to high temperatures were acquired in Piura and tropical sheep (Black Belly breed) were imported from Barbados.

So far, more than 100 sheep have been imported from Barbados and 300 from Piura. According to Eng Jorge Aliaga Gutierrez, the sheep have adapted magnificently to the environment. More than three lambings have been achieved in 2 years, most of them producing twins.

1,200 Sheep

The Palcazu Valley now has more than 1,200 sheep distributed in different Indian communities and on some individual farms. This provides substantial support to improve the diet of the Amueshas, migrant farmers, and descendants of the Tyrolese who also live in the area.

Another equally important aspect is research and the improvement of species like beans, soybeans, and other food products. The program has a nursery directed by agricultural engineer Yela Gutierrez Flores.

The Palcazu project has deeded everything that belongs to the Amuesha ethnic group to the 10 Indian communities in the valley. This has benefited a total of 490 families that contain 2,424 people. The total award covers 39,531 hectares.

7717
CSO: 3348/499

PERU

'EL NINO' NOT TO AFFECT COUNTRY IN 1986

Lima EL COMERCIO in Spanish 30 Mar 86 p A-7

[Text] The inhabitants of the north suffered a devastating "El Nino Phenomenon" in 1983 that threatened to occur again this year. However, they can now breathe easily. According to Dr Salvador Zuta, an oceanographer at the Sea Institute of Peru, "right now, there is no danger that the phenomenon will occur."

In statements to EL COMERCIO, the scientist said that there were symptoms off Talara, Paita, and the coast of Ecuador--a slight warming of the water--in January. Now, at the end of the summer, the temperature has gone down a degree along the coast. He stated optimistically: "In other words, the coastal current begins."

Southern Fluctuation: Normal

He explained that the "El Nino Phenomenon" begins in the center of the equatorial Pacific and then spreads to the American and Peruvian coast. He added that, on a large scale, another important element that affects "El Nino" are anomalies in the rate of southern fluctuation--difference of pressures between Tahiti and Darwin--that are now normal.

He noted that the "El Nino Phenomenon" begins very far from our sea but the coasts of Peru define whether it is triggered or not.

Thermocline...High

Referring to the Peruvian coast, he reported that another important factor to prevent the phenomenon is the thermocline--that is, the depth where the water abruptly changes temperature.

Zuta noted that under normal conditions this is above 100 meters, but in December, January, February, and until now, it has been above 50 meters which indicates that there is no major spread of the phenomenon.

"The thermocline is now very close to the surface which means that the normal winter cooling can occur very soon."

He added that when the "El Nino Phenomenon" occurs, the thermocline is below 100 meters.

7717
CSO: 3348/499

PERU

BRIEFS

GASOHOL PRODUCTION--Within 8 months, Peru will begin manufacturing gasohol to use as a gasoline additive for any type of vehicle, significantly reducing the current cost of this fuel. In order to achieve this objective, work has begun on the gasohol plant that will be installed at the Azucarera Pucala Ltda. cooperative. It is being done under an agreement with the Technical Trade Cooperation firm "Peruvian Trading" which will turn it over fully operational. The gasohol plant will be a great alternative, not only for the cooperative and its workers who are now undergoing a serious crisis because their production costs are not in line with their sales prices, but also for the entire country. It will mean an energy savings and a savings for the national economy. [Text] [Lima EL NACIONAL in Spanish 4 Apr 86 p 8] 7717

CSO: 3348/499

ST CHRISTOPHER AND NEVIS

LABOR ORGAN COMMENTS ON CARIBBEAN DEMOCRATIC UNION

Basseterre THE LABOUR SPOKESMAN in English 19 Mar 86 p 2

[Editorial] In November 1985 a Conference was held in Barbados. It was called a Conference of Democracy in the English-speaking Caribbean.

It was jointly sponsored by the National Democratic Institute for International Affairs and the Center for International Private Enterprise, both United States organisations.

It was co-hosted by Mr. Bernard St. John the Prime Minister of Barbados and Mr. Errol Barrow, the leader of the opposition in Barbados.

In addition to the Prime Minister of Barbados, other Prime Ministers who participated in the proceedings of the Conference were the Prime Minister of Grenada, Mr. Herbert Blaize and the Prime Minister of Dominica, Ms. Eugenia Charles. The Governor of Puerto Rico and The Lieutenant Governor of the United States Virgin Islands also attended the Conference.

In addition there were Domocrats and Republicans from the United States Senate and House of Representatives.

From the Caribbean there were representatives of ruling parties and representatives of Opposition parties.

The Caribbean business community was well represented at the Conference and there were also figures from the region's trade unions in attendance.

The conference was the forum for expression of a broad spectrum of opinions.

If any single idea had pre-eminence at the Conference it was this: that there is a need for constant dialogue, constant involvement of the people, constant consultation with the various interests of the community.

No permanent grouping or organization emerged from that Conference.

By contrast, early in this year, a meeting was held in Jamaica out of which was formed something called a Caribbean Democratic Union.

As far as can be gathered this is some kind of umbrella organization under which shelter a number of the parties currently in government in the Caribbean.

Someone once said of the "Holy Roman Empire" that it was not holy, it was not Roman and it was not an empire.

We think we can with equal force deny that this new grouping is Caribbean, that it is democratic and that it is any kind of union.

Not that we are saying there is anything fundamentally wrong with like political parties getting together in a regional or even an international framework.

Indeed there is precedent for parties with like aims coming together right here in the Caribbean The West Indies Federal Labour Party of which the St. Kitts-Nevis Labour Party was a member, was an example of just such a grouping.

And there are international groupings of which the Socialist International is an example.

The problem we have with this so-called Caribbean Democratic Union is that it appears to cater only for parties that are currently in the government. Our observation of several of the governments involved, compels us to the view that they consider they have some inherent right to be the government and that what they are doing is organising to keep themselves in office. There is a redeeming feature. As far as we can tell, there are some parties in government in the Caribbean who did not wish to be part of the organization.

We think also that it is part of the aim of this Caribbean Democratic Union to make the world believe that any party which is not included within its ranks-and by definintion this includes all opposition parties - is against democracy. That, of course, is demonstrably untrue.

The truth is that what unites the members of the group is not their love of democracy. Rather it is their strident pro-Reagan pronouncements.

The members are those who equate President Reagan with the United States and who peddle the line that those who are not with them are enemies of the United States.

It would be dangerous if the United States accepted that false proposition as a basis on which to build long term foreign policy.

Furthermore some of the members of the so-called Caribbean Democratic Union pursue in their own countries policies which are anything but democratic. For them it is a question of using the label to the realities.

Some of them are the kinds of democrat like Marcos was or is, they hold elections which are carefully arranged to ensure that they retain power even to the extent of having such elections sanctioned by a National Assembly or a High Court judge.

They persecute those who do not hold the same political views as themselves. They seek at all costs to eliminate political opposition first by removing opposition voices from the Legislature and eventually by liquidating the opponents themselves.

They erect and exalt the military into instruments of oppression. They keep out of employment any bold enough to dissent.

They enrich themselves at the expense of the country and hoard huge fortunes abroad.

This kind of democracy the Caribbean can do well without.

The Caribbean needs a people vigilant and alert to maintain the strong and deep-rooted democratic traditions which have long flourished in the region, long before myopic, selfish, greedy individuals thought of hiding the their identity behind the euphemism of the Caribbean Democratic Union.

/13104
CSO: 3298/438

TRINIDAD AND TOBAGO

ROBINSON SEEKS UPDATE ON 1984 CUBAN ARMS STORY PROBE

Port-of-Spain DAILY EXPRESS in English 18 Apr 86 p 3

[Article by Compton Delph]

[Text]

DIRECTOR OF Public Prosecutions Clebert Brooks has been asked for an update on his investigation into the Cuban Arms Hoax story published by Dr Winston Murray's Tobago Informer on November 13, 1984.

The request has come from A.N.R. Robinson, Chairman of Tobago House of Assembly, who had formally reported the matter to Brooks on April 25 last year.

On May 21 last year, Brooks wrote to Robinson informing him that the police were conducting investigations into the matter, as well as certain other documents which Robinson had sent him. He promised to get in touch with the Chairman of the Assembly when he received the results of the police investigations.

"As I have received no further communications from you, I shall be most grateful to know the status of the several matters referred to in your letter as receiving the attention of your high office and of the Commissioner of Police," Robinson wrote to the DPP recently.

Robinson's letter to Brooks was released to the press at a meeting of the Assembly Wednesday afternoon.

The Informer article, published 11 days before the Tobago House of Assembly elections on November 24, 1984, had alleged that a Cuban vessel had landed arms at King's Bay in Tobago. It created a furore in the island and was widely interpreted as intended to influence the outcome of the elections in favour of the People's National Movement.

As it turned out, the PNM suffered a humiliating 11 to one defeat by Robinson's Democratic Action Congress (DAC), with the PNM losing three of the four seats it had won in the inaugural 1980 Assembly elections.

The Informer story was accompanied by a picture showing rockets which the weekly newspaper described as "part of the arms cache already in Tobago." That picture was eventually exposed by the *EXPRESS* as one of several the Americans had released showing arms their forces had captured when they intervened in Grenada the year before.

Brooks, in an initial statement, had said the Informer article "taken by itself" did not appear to constitute any criminal offence. It was eventually argued the article had to be considered along with the picture.

/9274
CSO: 3298/425

DISPOSITION OF DRUGS REPORT SPARKS QUESTIONS, CRITICISM

Attorney General in House

Port-of-Spain TRINIDAD GUARDIAN in English 19 Apr 86 p 1

[Article by Ramdath Jagessar]

[Excerpt] Attorney General Russell Martineau has stated that he has never been in possession of the Garvin Scott Report on Drugs or passed a copy of the report to anyone.

But his reply to questions asked in the House of Representatives yesterday appear to contradict his own statements made in the House on March 7 when he announced receipt of the report.

On March 7 he said: "The report of the Commission of Enquiry into the incidence of drug abuse in Trinidad and Tobago has been received. As a consequence of what is revealed therein and in the verbatim evidence and having regard to the significance of the report a special counsel, in the person of the Mr Desmond Allum, President of the Bar Association, has been appointed to examine the report and the verbatim evidence with a view to initiating whatever action he considers necessary as a result of the disclosures made therein."

Based on the references to "what is revealed therein" and "verbatim evidence" that seemed to indicate Senator Martineau had some knowledge of the report, Opposition Leader Basdeo Panday asked three questions yesterday.

DPP Not By-Passed

In reply to a question why he had passed the report to a lawyer in private practice, Senator Martineau stated that he had not passed the report to any such person.

When asked why he had by-passed the Director of Public Prosecutions, the Attorney General said that the DPP had not been by passed, as there was no constitutional or other legal requirement for any report to be forwarded to the DPP.

He added that he could not make a copy of the report available to the House since he had not, and had never had been in possession of a copy.

The Opposition Leader pressed the Attorney General to state whose decision it was to make Mr Allum a special counsel and who passed the report to Mr Allum.

"I don't know who passed it to him," he emphasised, and commented that the authority to make Mr Allum the special counsel was the Government of Trinidad and Tobago.

The final question was whether the names of any Ministers of Government were mentioned in the report. Senator Martineau answered that he was not aware of the contents of the report.

Implications of Government Action

Port-of-Spain TRINIDAD GUARDIAN in English 21 Apr 86 p 8

[Editorial]

[Excerpts] Those who understand the demands of prosecuting in such matters will also appreciate the need for the Government and the law enforcement authorities to handle the controversial Garvin Scott Report on Drugs with great discretion.

Unorthodox Course

Whether or not the Government recognises its duty in this respect is difficult to tell since it has taken a unique and unorthodox course. Instead of laying the matter in the hands of the Director of Public Prosecutions, the Government has appointed Mr Desmond Allum, President of the Bar Association, as special counsel "to examine the report and the verbatim evidence with a view to initiating whatever action he considers necessary as a result of the disclosures made therein."

There seem no other implications to be drawn from Mr Allum's appointment and the form of words outlining his assignment than that the report does in fact implicate important persons in illegal drug activity in the country.

The question that must now disturb the minds of concerned persons is whether this unusual procedure is the most effective means of achieving the ends of justice in these circumstances. While there should be no doubts about Mr Allum's competence in the law and his personal integrity, it may be wondered whether he alone can handle such an investigation.

Is this a full-time undertaking for him? Has he been given additional investigative staff?

In fact, the perception is now gaining currency that the motive behind Government's appointment of a special investigator into this report was more a concern for preserving secrecy than for bringing to justice those who may be implicated in the Commission's report.

More Discrete

This perception has now been strengthened by the surprising announcement of Attorney General Russell Martineau who, in replying to questions in the House of Representatives on Friday, said he was never in possession of the report and, in fact, was unaware of its contents.

If the Government does not see it fit to entrust a copy of this report to its own Attorney General and Minister of Legal Affairs, the officer whose duty is to guide the administration on legal matters, then its contents must be explosive indeed.

Who then have copies of this report? Whom does the Government consider more discrete than Mr Martineau? Does Mr Allum have one? If not, how is he conducting his examination? And who is he working with, if not the Attorney General?

Union Demand

Port-of-Spain TRINIDAD GUARDIAN in English 23 Apr 86 p 7

[Excerpt] San Fernando--Bring out that Drug Report, said acting President General of the Oilfields Workers' Trade Union, Errol McLeod, yesterday.

"Who has that report?" he asked. "Let the public know the contents of the report," he added. The secrecy over the report was an attempt to cover-up and allow persons whose names were mentioned in the report, an opportunity to escape the law, just as was done in the recent past.

Martineau Statement to Senate

Port-of-Spain DAILY EXPRESS in English 23 Apr 86 pp 1, 2

[Article by Ria Taitt]

[Text] The Trinidad and Tobago Government, in dealing with the recent Drug Report, is concerned to see that there is no impression of political or any other interference or that there is no permature disclosure to alert those who have "cocoa in the sun."

So said Attorney-General and Minister of Legal Affairs Russell Martineau at yesterday's sitting of the Senate. Martineau also underlined that the power to institute proceedings and undertake them are not within the "exclusive jurisdiction" of the Director of Public Prosecutions.

His statement, he said, was aimed at clearing what appeared to be "some confusion in the minds of certain persons about the work entrusted to Mr Desmond Allum, and his constitutional position."

The five-page statement is as follows:

Mr President, on March 7, 1986, I made the following statement in the other place:

"The Report of the Commission of Enquiry into the incidence of drug abuse in Trinidad and Tobago has been received. As a consequence of what is revealed therein and in the Verbatim Evidence, and having regard to the significance of the Report, a Special Counsel in the person of Mr Desmond Allum, President of the Bar Association. has been appointed to examine the Report and Verbatim Evidence with a view to initiating whatever action he considers necessary as a result of the disclosures made therein. I thank you and I thank Honourable Members."

On that occasion, in the context of making a copy of the Report available to Members of the other place, I added that:

"Having regard to the Statement which I have just made, I am sure the Leader of the Opposition, who himself is a lawyer, will appreciate that it will not be right and proper that such a report be made so available at this point in time."

There appears to be some confusion in the minds of certain persons about the work entrusted to Mr Allum, and his constitutional position.

Following that statement, and after I held discussions with Mr Allum with regard to his appointment, I wrote the following letter to him:

March 7, 1986

Dear Mr Allum:

I thank you for accepting the retainer I orally offered you to examine in detail the report of the Commission of Enquiry into the Incidence of Drug Abuse in Trinidad and Tobago, the evidence proferred to the said Commission, and any other relevant matters, and to determine what, if any action, should be instituted against any person or persons.

You should feel free to obtain whatever further evidence you deem necessary and to seek clarification or elaboration of the evidence already referred to.

In the event you determine that any proceedings should be instituted, you may wish to have associated with you in the conduct of those proceedings, such counsel or solicitors as you deem advisable.

The Director of Public Prosecutions has been consulted and is agreeable to your retainer.

Yours faithfully,
(Russell S. Martineau)
Attorney General
and Minister of Legal Affairs"

Under the Constitution, the Director of Public Prosecutions has power to institute and undertake criminal proceedings, to take over and continue such proceedings and to discontinue such proceedings. The power to take over, continue and discontinue proceedings are vested in him to the exclusion of the person who instituted or undertook the proceedings. On the other hand, the power to institute proceedings and undertake them are not within his *exclusive* jurisdiction.

Notwithstanding the above, it may be necessary and prudent for Mr Allum and the Director of Public Prosecutions to co-operate from time to time precisely because of the powers of the Director of Public Prosecutions, inter alia, under Section 90(3) (b) and (c) of the Constitution. That co-operation has been secured.

Mr Allum's appointment was discussed with the Director of Public Prosecutions, and Mr Allum and the Director of Public Prosecutions both know that they are free to co-operate in the exercise.

I wish to advise that a copy of the Report and the Verbatim Notes of Evidence taken by the Commission has been supplied to Mr Allum, who has confirmed receipt of the same. He has also been provided with a secretary and a secure office from which he can work. Mr Allum is aware of the fact that he can discuss with me any desire he may have for further facilities to assist in the exercise for which he has been retained. In fact, Mr Allum yesterday confirmed that he is satisfied with the arrangements made for him so far.

Mr President, the Commission of Enquiry into the Incidence of Drug Abuse in Trinidad and Tobago took and received evidence in secret. One can readily understand and appreciate the reason for so doing. Moreover, one is mindful of the vicious manner in which persons involved in the drug trade operate. In those circumstances, everything is being done to enable Mr Allum to conduct his exercise free from any interference from any source whatever. Moreover, it is clear that it would not be prudent for copies of the Report to be made available at this stage to any person, other than a person who must necessarily see the same. The interest of justice cannot best be served by giving publicity to the contents of the Report now.

While one recognises the interest of the public in this matter, Government is concerned with the interest of justice and the national interest.

Mr Allum's task is neither easy nor simple. He is expected to approach his assignment with care and in a judicial manner, giving careful consideration to the Report and the Evidence made available to him. He may or may not find it necessary to conduct his own investigations in order to satisfy himself about the evidence with which he has been presented. Evidence given to a Commission of Enquiry is not necessarily evidence which is admissable in a Court of Law. One appreciates that the exercise will take time, if the same ought to be done properly.

In giving the assignment to Mr Allum, Government has considered the respect in which he is held and the confidence which he enjoys as President of the Bar Association and as a citizen.

The Government is concerned to see that in this matter justice is done according to law. The Government is concerned to see that there is given no impression of political or any other interference whatsoever. The Government is concerned to see that there is no premature disclosure to alert persons who may, as the saying goes, have "cocoa in the sun." It is against that background that the Government has appointed Mr Allum, giving him a free hand in the conduct of the matter and providing him with such facilities as he needs and such co-operation as he finds necessary.

It is my hope that all who cherish justice would see the wisdom in permitting Mr Allum to pursue his assignment in peace and quiet, and with the full confidence that his actions and decisions in this matter will be free from influence or interference by any person.

I thank you.

TRINIDAD AND TOBAGO

POLICE PROBE POSSIBLE CORRUPTION IN IMPORTING OF RICE

Port-of-Spain TRINIDAD GUARDIAN in English 22 Apr 86 p 1

[Text]

THE MINISTRY of Industry, Commerce and Consumer Affairs has called in the Police to investigate the possibility of corruption in the importation of rice into Trinidad and Tobago.

In a statement released yesterday, Industry and Commerce Minister Wendell Mottley, said the Police had reported to him that their investigations, though not yet complete, were proceeding satisfactorily.

Following is the statement by Senator Mottley:

"During the last two weeks statements have appeared in the Press regarding the issue of licences for the importation of rice. In order to clear the air on this issue, I wish to make the following statement.

By Notice to Importers No. 2 of 1985 rice was placed on the Import Negative List with effect from 25th April, 1985. This meant that the importation of this commodity had to be authorised by a specific import licence issued by the Ministry. The policy of the Ministry when items are placed on the Negative List allows for the grant of licence to persons who the Ministry is satisfied had made commitments for the importation of such goods prior to negative listing. The practice was followed in this instance.

Sole Importer

On 29th August, 1985 Cabinet agreed that the National Flour Mills should become the sole importer of rice effective from September, 1985. In implementing this decision the Ministry decided to honour the commitment it had already made, or any undertaking it had given, to grant licences to some persons for the importation of rice. It accordingly agreed in September, 1985 to issue licences for the importation of rice for the rest of 1985 as follows:

- six (6) million pounds of bulk rice for packaging;
- 2.1 million pounds of pre-packaged rice from Guyana;
- 1.9 million pounds of packaged rice from sources other than Guyana.

This decision was based on the following:

(i) an estimated demand of 41.5 million pounds of rice for the period August to December, 1985;

(ii) an estimated local production of one (1) million pounds of rice;

(iii) recognition of the fact that there were licences already granted for approximately 3.0 million pounds.

There was agreement between the Ministry and the National Flour Mills that the Ministry would continue to be responsible for the importation of bulk rice from Guyana up to the end of 1985.

Despite these specific policy decisions which were taken with respect to the importation of rice, the Ministry received information that licences were being presented for the importation of this commodity, as well as for other sensitive items, which were either not issued in accordance with the established policy, or not issued by the appropriate Trade Officer. The concern generated by these reports led to:

(i) instructions to the Ministry's officers at Nicholas Court and San Fernando to refer all documents relating to such items to Head Office for examination and verification of their validity;

(ii) a request to the Customs and Excise Division to refer to the Ministry for scrutiny all relevant documents presented in connection with the importation of such items;

(iii) internal investigations within the Ministry to determine the circumstances under which licences for these items may have been issued;

Disciplinary Action

(iv) a request to the Police in early March for investigation into possible malfeasance or corruption.

As a result of the internal investigations, in keeping with normal administrative requirements the matter is now being referred to the appropriate authorities for possible disciplinary action.

As recently as this morning, the Police have reported to me that their investigations are proceeding satisfactorily but have not yet been completed."

/9274
CSO: 3298/425

TRINIDAD AND TOBAGO

TOBAGO THREATENED BY TRINIDAD REIN ON PURSE STRINGS

Port-of-Spain DAILY EXPRESS in English 21 Apr 86 p 3

[Article by Compton Delph]

[Text]

TOBAGO IS SITTING on a "smouldering cauldron" and unless the government releases money to the House of Assembly to pay its wokers, there will be chaos.

This warning was sounded on Wednesday by Assembly Deputy Chairman Dr Jeff Davidson who said that for the month of April, the Ministry of Finance had not released one penny of the $11 million the Assembly needs for its monthly Recurrent Expenditure which, in the main, was the payment of salaries.

"A furious crisis is looming in Tobago," declared Davidson. "I say Tobago because if money is not released, the whole operations of the Assembly will grind to a halt." This, he told a meeting of the Assembly, would involve not only workers of the Assembly but the entire community since a great part of the island's economy depends on employment at the Assembly.

Last month, he explained, the Assembly, as chairman ANR Robinson had announced, had to borrow from his bankers to pay salaries. But this could not continue.

"The behaviour of the Government," he charged, "is a deliberate attempt to frustrate and subjugate this Assembly."

But workers had to be paid otherwise everything would grind to a halt, said Davidson.

He said Chairman Robinson, realising the serious situation developing, had called in the unions which represent the workers to appraise them of the situation.

But representatives of the National Union of Government and Federated Workers (NUGFW), which represents the daily paid employees, did not turn up for the meeting.

The Public Services Association (PSA), representing monthly paid employees, said Davidson, did attend a meeting with Robinson but the PSA did not communicate the problem to the media as its representatives had promised.

"Unfortunately, the unions have shown that they are not concerned with the welfare of their members," charged Davidson.

"What are we to do?" he asked. "We just cannot send home staff and tell them we have no money to pay them or tell them to wait until money is received to start up work again," he complained.

/9274
CSO: 3298/425

UNION MEMBERS IN VISIBLE DISPUTES WITH MANAGEMENT

Protest at Packing Industry

Port-of-Spain DAILY EXPRESS in English 21 Apr 86 p 36

[Text]

THE OILFIELDS Workers' . Trade Union (OWTU) recently held a "solidarity rally" at the Caribbean Packaging Industry (CPI) strike camp outside the company grounds.

The rally, according to the union, was the beginning of its drive to persuade other unions to place an embargo on the company's products and was designed to bring pressure to bear on the company in order to effect a settlement of the eight-month-old strike.

The rally took place in defiance of injunctions taken out by the company last September, and yesterday, against union officials and some workers.

The second injunction (which was virtually the same as the first) prohibited a number of union officials and workers from gathering outside the company in numbers of more than 10, and threatened that if they defied the injunction they would be liable to "due process of execution for the purpose of compelling you to obey these orders."

Although two vans and one jitney filled with police officers watched on at the rally from the opposite side of the road, it was allowed to take its full course.

Speaking at the rally was Desmond Bishop, President of the Transport and Industrial Workers Union (TIWU), one of the unions which the OWTU had called upon to assist in the embargo of services to CPI.

Bishop also said his union was planning a nationwide boycott against Neal and Massey Holdings, with which it is currently locked in two industrial disputes.

He said TIWU was planning to boycott all Hi Lo Food Stores in the country, as well as "certain Cannings products."

He appealed for unity amongst workers, stating that an action like this could only be succesful if there was unity.

Also making addresses at the rally were Cecil Paul, Errol Mc Leod, Gregory Rousseau and other officials of the OWTU.

Red Armbands at T&TEC

Port-of-Spain DAILY EXPRESS in English 23 Apr 86 p 3

[Text]

TRINIDAD and Tobago Electricity Commission (T&TEC) San Fernando workers began wearing red armbands yesterday to protest the Commission's refusal to offer a wage increase.

A check yesterday revealed that apart from the red armbands, workers in the Transport and Maintenance Section were not attending to maintenance calls unless the full crew was present. A further check revealed yesterday that out of 63 trucks at Gooding Village only 28 went out on calls.

An official at Gooding Village told the EXPRESS San Fernando Desk that the workers' representative the OWTU had not served any notice of grievance on the company. It was learnt that the transport and maintenance crews were not moving out on defective vehicles and were refusing to handle emergency calls if the full crew was not present.

OWTU acting president general Errol McLeod said he was not aware of any industrial action by South T&TEC workers. Said McLeod, "I know that the workers are unhappy about the stand taken by T&TEC, but I know of no industrial action." Senior T&TEC branch officers reportedly held an emergency meeting at the OWTU headquarters in San Fernando on Monday to discuss the situation at T&TEC.

Wage negotiations between the OWTU and T&TEC broke down and has since been referred to the Industrial Court. The union has been seeking comparative wages for its workers while T&TEC has offered no wage increase and refused to consolidate the Cost of Living Allowances. It was learnt that the OWTU had instructed its workers three months ago not to ride in defective vehicles.

/9274
CSO: 3298/425

TRINIDAD AND TOBAGO

BRIEFS

UNION CRITICISM OF U.S.--The Council of Progressive Trade Unions (CPTU) has condemned the "aggressive measures adopted by the United States government against the sovereign state of Libya." A statement from the CPTU said so far United States President Reagan had failed to produce concrete evidence that Libya was involved in the bombing of the disco in West Germany. Even is such evidence is found, the statement said "the irresponsible and barbaric reaction... will never be the naswer to terrorism" The CPTU also expressed its amazement that Britain and the United States "pretend to be concerned about state terrorism, yet refuse to take action against the greatest state terrorist of all times, the Botha government of South Africa." "The killing of innocent Libyan children and other persons in the still of the night is a gross indictment against the warlike policies of the U.S. President," the CPTU added. [Text] [Port-of-Spain DAILY EXPRESS in English 18 Apr 86 p 11] /9274

NAR MEMBERSHIP--A shortage of application forms caused a slowdown in NAR's membership drive last week. However, party secretary Beau Tewarie reported yesterday that the acquisition of 10,000 additional application forms meant that prospective members were now free to sign up with the party. "We are overwhelmed by the public response to the membership drive," said Tewarie. He added that over 11,000 people had joined the party since February 23. [Text] [Port-of-Spain DAILY EXPRESS in English 23 Apr 86 p 11] /9274

PETROLEUM INVESTMENT--Despite plummeting oil prices, the Trinidad and Tobago Petroleum Co (TRINTOPEC) has targeted an investment expenditure of over $226 million in its revised 1985-86 budget. This was stated by Trintopec's acting general manager Randolph Corble, according to the company's in-house paper Trintopec News. Corbie said $181 million will be spent in developing the company's wholly owned land and Galeota leases. He said the company had an investment figure of $170 million including $31 million for Trinmar. Corbie said the 1986 investment portfolio included one exploration well in Erin and 77 development wells in a total land drilling budget of some $110 million. Said Corbie: "In addition the company will continue to spend huge sums totalling $30 million on its thermal recovery projects, installation of pumps, recompletions and gravel packs." He said over $1 million will be budgeted for water flooding and evaluation studies. Corbie also said that $22 million would be spent on machinery and equipment to improve the efficiency of operations and to maintain optimum safety, anti pollution and housekeeping standards. He said

$46 million would be allocated for Trinmar and the South East Coast Consortium. Of this amount $26 million would go towards exploratory and development drilling. [Text] [Port-of-Spain DAILY EXPRESS in English 21 Apr 86 p 3] /9274

OIL, GAS RESERVES--Energy Minister Patrick Manning said yesterday that at the current rates of oil utilisation, the commodity should run out in nine years' time. The Minister made the disclosure when he formally opened a one-day seminar on compressed natural gas at the Holiday Inn in Port of Spain. The seminar was held by the Ministry of Energy and Natural Resources in collaboration with Natural Gas Systems Ltd, a subsidiary of the Ross and Sons Group of Companies. Several converted natural gas vehicles were on display at the seminar. Manning explained that for the last 10 years or so, Trinidad and Tobago has been operating in respect of oil on a reserve production ratio of nine to one which he said meant that at the current rates of oil utilisation, oil should run out in nine years' time. But, according to the Minister, the reality was that as one produces oil more is discovered so that nine years may not be an exact indicator. He said Trinidad and Tobago has a natural gas reserve of 16.9 trillion cubic feet of natural gas; with possible and probable undiscounted this could be about 22 trillion cubic feet. "It means that at current rates of utilisation of natural gas, we have far in excess of 50 years," he said. In Trinidad and Tobago, Manning said, because of the abundant quantity of natural gas, it has been produced at relatively low prices which has established a significantly large differential between natural gas and gasoline to facilitate the use of natural gas as a motor fuel. [Text] [Port-of-Spain DAILY EXPRESS in English 25 Apr 86 p 2] /9274

CSO: 3298/425

VENEZUELA

ENERGY MINISTER REPORTS ON OPEC MEETING

PA010452 Caracas Television Service in Spanish 0000 GMT 1 May 86

[Text] Energy and Mines Minister Arturo Hernandez Grisanti has reported to the Energy and Mines Commission of the Chamber of Deputies on the subject of the behavior of the oil market and the results of the special OPEC meeting recently held in Geneva. Minister Hernandez Grisanti referred to the complex characteristics of the current oil market and said that the decisions adopted during the latest OPEC meeting as well as the distribution of the production quotas must be discussed with the non-OPEC countries.

[Begin Hernandez Grisanti recording] As we have already established a certain amount, we have something to use as a basis for discussion with them. I have no reasons for saying if we harbor hopes or not. These are the facts, and we must trust that these countries are interested in initiating a gradual recovery of prices. We will learn of the results in a short while. [end recording]

Meanwhile, Dr Celestino Armas, chairman of the Energy and Mines Commission of the Chamber of Deputies, said he was pleased with the results of the meeting, and with the attitude of our country's delegation at the OPEC meeting.

[Begin Armas recording] Venezuela is justified in hoping we will have additional participation within this new production quota of OPEC. [end recording]

It was then learned that the Energy and Mines Commission will meet on Friday with the Pedevesa [Petroleos de Venezuela, S.A.] Board of Directors to learn of the details on the rationing of operations in the national oil industry.

/12640
CSO: 3348/574

END